


Exhibit 52



San Diego Gas & Electric
8335 Century Park Court
San Diego, CA 92123

A  Sempra Energy[®] utility

December 22, 2004

Mr. Bill Tripp
City of San Diego
Development Services Center
1222 First Avenue MS302
San Diego CA 92101

RE: SDG&E General Dynamics Substation
William Lyon Homes, Inc. - Promenade North ("B") Planned Development Permit
Sunroad Enterprises - Spectrum Plan Amendment

Dear Bill:

This letter is sent to update the city on SDG&E's position with regard to its existing General Dynamics Electric Substation, the proposed new developments in the area, and in particular current actions of developers to amend development entitlements on properties surrounding the existing substation.

Most recently, SDG&E has become aware of two developers whose actions could significantly impact the ongoing operation of the substation and/or the ability to relocate the substation to a more appropriately zoned parcel. These recent developer actions involve the William Lyon Homes, Inc. (Lyon) - Promenade Planned Development Permit (PDP), and the Sunroad Enterprises (Sunroad) - Spectrum Plan Amendment (Plan Amendment). Fundamentally SDG&E is concerned that previous conditions imposed by the City to accommodate the relocation of the substation from the Promenade North project have not resulted in the substation moving. If approved by the city, the current PDP proposed by Lyon would allow the substation to remain in its present location to become surrounded by residential units; while the Plan Amendment proposed by Sunroad eliminates the currently permitted and environmentally approved substation relocation site in the Sunroad Spectrum plan.

Background

In 2002 SDG&E and Sunroad Enterprises entered into negotiations over the terms and conditions of an agreement to accomplish the relocation of the substation. As part of those negotiations a substation site was identified and agreed upon that was located within the proposed Sunroad Spectrum Development adjacent to Lightwave Avenue. As negotiations continued, Sunroad remapped its property to create a legal parcel for the SDG&E substation site, and processed an MND with the City to approve the subject parcel for use as an electric substation. Following that, SDG&E applied for and received approval from the California Public Utilities Commission to build and operate the proposed substation on the new site.

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In April of 2003, Sunroad terminated negotiations with SDG&E after it sold the property containing the substation to Greystone Homes (Greystone). Greystone took title to the property with knowledge and acceptance of the encumbrance that the substation and transmission lines posed to that property. Greystone purchased the property after the April 17, 2003 Planning Commission Meeting in which the Commission approved Greystone's Sunroad A & B Planned Development Permit No. 9257. Approval of PDP Permit No. 9257 entitled Greystone to develop multi-family residential units on the property, and that development was conditioned upon the relocation of the substation. The Commission, recognizing that the substation relocation had not yet taken place, imposed Condition No. 35 in the final Permit affecting Sunroad B stating that "All easements serving the present power station shall be abandoned as part of the power station relocation. No building permits shall be issued by the City on that portion of the property containing the substation transmission lines until relocation of the substation is completed and the easement abandoned SDG&E".

Current Substation Status at Sunroad B

Lyon is now the successor owner and developer of the remaining Sunroad B property, purchased from Greystone, that has been renamed "The Promenade". Under Lyon's current proposal (as presented to the Kearny Mesa Planning Group), it seeks approval to proceed with the building of multi-family residential units around the existing substation with no provisions for the substation's relocation now or in the future. SDG&E opposes the City's approval of such a permit, which would allow residential units to be built in close proximity to its General Dynamics Substation. We consider this type of planning to be short-sighted and inconsistent with the goals of the New Century Center Master Plan Area (LDR No. 41-0101). In light of Condition No. 35 as imposed by the Planning Commission, Lyon's current PDP site plan for Promenade North is not an acceptable solution to SDG&E.

Current Status of Spectrum Substation Site

Under the current proposal to amend the Sunroad General Plan (as presented by Sunroad to the Kearny Mesa Planning Group) the previously approved Spectrum Substation Site would be eliminated without first designating an acceptable substitute substation site. SDG&E opposes the City's approval of such a Plan Amendment eliminating the Spectrum Site, unless and until an acceptable substitute site can be found.

Summary

In April of 2003, Greystone obtained development entitlements for the Sunroad B property on the basis that the substation would be relocated before development took place. The presumed location for the new substation was the Spectrum Site because it was clearly identified in the January 31, 2002 Sunroad final MND as the substation relocation site and subsequently approved by the CPUC. It appears that the Commission's April 17, 2003 PDP No. 9257 approval with Condition No. 35 was premised on the existing substation moving, and that it was to move to the Spectrum site.

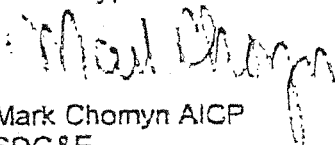
Today there is still no affirmative plan in place to relocate the substation. SDG&E has worked with three successive owners of the property to develop a plan for relocating the substation, without success. As is typical in situations where an existing utility facility needs to be relocated to accommodate a development plan, the developer bears the cost of providing the necessary land and new or relocated utility infrastructure. Likewise, when new utilities or utility relocation is part of a planned development, the local governing agency having jurisdiction over the entitlement process assures through subdivision map or development permit approval conditions that requirements for utility facilities are met prior to granting those development entitlements.

The need to relocate the substation is a by-product of developing the New Century Center Master Plan in general, and more specifically the preparation of the Promenade North PDP site plan. A new substation site within the Master Plan area itself would be most appropriate. Unfortunately, as on-going development occurs within the Master Plan area, very few economically feasible options remain, if any, for a new substation site within the development area.

SDG&E recommends that the City strongly considers SDG&E's concerns if and when the owners of Sunroad B (Promenade North) and Sunroad Spectrum seek new permits or amendments that would affect either the ability to relocate the General Dynamics Substation, or compromise its ongoing operation at the present site. As an interest holder with utility easements in the Master Plan area, we would appreciate the City noticing SDG&E on all related hearings and proposed actions affecting the development of both of these properties. In particular please notify SDG&E on any proceedings related to Lyon Homes, Promenade B for which to date we have not received any notices from the City regarding public hearings for this project.

Please call me at (858) 637-3709 if you have any questions, or would like additional information regarding the existing electrical facilities mentioned in this letter.

Sincerely,



Mark Chomyn AICP
SDG&E
Land Planner

Cc: Buzz Gibbs, Kearney Mesa Community Planning Group
Lisa Gonzalez, Office of Councilmember Donna Frye
Bill Tripp, City of San Diego Development Services
John Wilhoit, City of San Diego Planning Department
Erick Van Wechel, William Lyon Homes
Rick Vann, Sunroad Enterprises
Joe Zulauf, SDG&E Electric Transmission & Distribution Planning
J.C. Thomas, SDG&E Public Affairs Manager
Jeff Sykes, SDG&E Land Management

Exhibit 53

February 14, 2005

Client-Matter: 08728-036

Mr. Bill Tripp
City of San Diego
Development Services Center
1222 First Avenue, MS302
San Diego, California 92101

Re: SDG&E General Dynamics Substation
William Lyons Homes, Inc. - Promenade North "B" Planned
Development Permit
Sunroad Enterprises - Spectrum Plan Amendment¹

Dear Mr. Tripp:

This letter is in response to a letter to you by Mr. Mark Chomyn on behalf of San Diego Gas & Electric Company ("SDG&E") dated December 22, 2004, but not received by parties until January 4, 2004.

The SDG&E letter addresses the current location and potential relocation of SDG&E's "General Dynamics" substation. The letter purports to provide a background of the negotiations between the developers and landowners around the existing substation with SDG&E, expresses certain "concerns," and requests consideration of those concerns by the City in the future.

SDG&E seems to have two "concerns" which it alleges "could significantly impact operations" of its General Dynamics substation. First, it expresses concern over its own failure to relocate its substation for potential expansion. Second, SDG&E expresses concern that residential units will be developed around the current site; a situation long anticipated and planned for. Neither "concerns" should be considered in promptly approving the pending plan amendment requests.

Unfortunately, the SDG&E correspondence is inaccurate and misleading in a variety of aspects, in part due to its brief and selected recitation of the background of this matter. The undersigned was counsel for Sunroad Centrum Partners ("Sunroad") in negotiations with SDG&E arising from a dispute concerning the potential relocation and expansion of an electric distribution substation originally designed to serve the General Dynamics facilities that is referenced in the SDG&E letter of December 22. The dispute was amicably resolved by the

¹ This "amendment" cited by SDG&E was withdrawn.

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parties. In a letter dated September 30, 2003, SDG&E concluded that any relocation of the substation to property owned by and to be developed by Sunroad was "economically unviable." In this letter, counsel for SDG&E stated that "SDG&E has decided not to complete the appraisal process and not to seek to acquire your client's property" for the purposes of establishing a new substation site.

In light of SDG&E's new and unexpected position, Sunroad believes a more detailed background statement is called for to correct any misimpressions created by Mr. Chomyn's letter.

1. Background

As is well known, Sunroad Enterprises is in the process of developing an area variously referred to as the "New Century Center," "Spectrum" or "Sunroad Centrum" which comprises approximately 40 acres of a 240 acre master plan area. This matter was addressed in a Mitigated Negative Declaration ("MND") dated February 7, 2002. The purpose of the MND was to support amendments to the City of San Diego General Plan and Master Plan for the New Century Center. The plan is to "increase the maximum amount of residential development permitted within the portion of the Master Plan area." The proposal included the option to relocate a San Diego Gas & Electric electrical substation to a planned non-residential portion of the project area. However, the Master Plan neither identifies nor approves a specific site for the relocated substation and expressly disclaims doing so.

As part of this MND and area development, Sunroad initially approached SDG&E to discuss relocating the existing General Dynamics substation, which was then on land owned by Sunroad, to a new location within the Sunroad development area referred to as the "proposed Spectrum substation." In the negotiations, SDG&E repeatedly stressed that relocation and expansion was not necessary for current and expected future operations, but that it would be amenable to relocating to accommodate the needs of the Master Plan and the convenience of the developer. These discussions began in late 2001. Early SDG&E proposals provided that the developer pay for the relocation of the existing substation in its entirety as well as provide the land in fee for its new location. Termination of the existing utility easement for the current substation site and return of the cleared parcel to the landowner, Sunroad, was also part of the contemplated arrangement.

As negotiations continued, Sunroad explored providing an approximately .69 acre site in fee to SDG&E in exchange for SDG&E's agreement to reconvey the existing substation easements back to Sunroad and relocate the existing substation. SDG&E would then, at its expense, design and construct a new substation. However, SDG&E indicated that restrictions provided by Public Utilities Code § 851 would not allow SDG&E to return the existing

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substation to Sunroad without the filing of an application with the Public Utilities Commission ("CPUC") and SDG&E would not assure Sunroad of the return of the existing substation even after Sunroad had conveyed a new site in fee to SDG&E. SDG&E indicated the application process could take in excess of a year. Negotiations then terminated.

On February 7, 2003, however, SDG&E filed an Advice Letter, 1473-E, with the CPUC. The advice filing was entitled "Notice of Proposed Construction of Facilities Pursuant to General Order 131D for Spectrum 69/12 KB Substation in the City of San Diego." The advice filing states that the General Dynamics substation currently serves load in this area but is inadequate to meet the needs of the total planned load growth in the area. It also indicates that the plans for the construction of the new substation, the removal of the General Dynamics substation, and all environmental issues, are addressed in the MND referred to above. The advice filing continues that the current substation is a high profile substation that is incompatible with the high rise commercial buildings and residential development planned for the area. Unfortunately, the advice filing was inaccurate in several specifics.

Following the termination of discussions for the relocation of the substation, the Advice Letter was "approved" by the CPUC. Upon being informed of that unexpected action, Sunroad replied to SDG&E and Sunroad again confirmed to SDG&E that it no longer intended to pursue the previously discussed option to relocate the existing substation. Sunroad also contacted the Energy Division of the CPUC concerning SDG&E's advice filing. CPUC staff indicated that they would entertain a protest especially if based on errors of fact in the filing by SDG&E, as described by Sunroad.

Clearly, SDG&E's reliance on the assumption in the CPUC filing that the new location would be commercial property surrounded by commercial parking lot structure was inaccurate as the proposed location was "master planned" for residential use, the same as the current location. Moreover, as discussed above, although a "potential relocation envelope" for the substation is shown graphically (Fig. SR-1), the Master Plan expressly disclaims any intent to approve or identify the actual relocation site. Thus, the necessity to move to the specified new location, an option SDG&E repeatedly stated it did not wish to pursue, was, in any event, based on a mistake that had been repeatedly pointed out to SDG&E in the past by Sunroad and which was not corrected in the advice filing with the CPUC. In its correspondence with SDG&E, Sunroad also specifically identified five parcels in the immediate vicinity, demonstrated in an aerial photograph, which would be appropriate locations for an expanded substation. Apparently, SDG&E, as evidenced by the December 22 letter, has not evaluated alternate locations.

Subsequently, the property surrounding the location of the current General Dynamics substation was resold by Sunroad. As no agreement was reached with SDG&E for the relocation, the sale price was reduced significantly to reflect the continued existence and

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operation of the General Dynamics substation at its current location. That property has subsequently been resold to William Lyons Homes. Sunroad informed SDG&E that it would retain ownership of the contemplated replacement location, and continued to pursue the development of that location for residential use and not for future use by SDG&E as a substation.

Mr. Chomyn's letter correctly points out that Greystone Homes took title to the property containing the existing substation "with knowledge and acceptance of the encumbrance that the substation and transmission lines posed to that property." However, Mr. Chomyn's characterization of Planned Development Permit ("PDP") No. 9257, which was processed by Greystone in April 2003, is inaccurate. Citing Condition No. 35, Mr. Chomyn asserts that the development of multi-family residential units on the property was "conditioned upon the relocation of the substation." Actually, Condition No. 35 simply provides that "no building permits shall be issued by the City on that portion of the property containing the substation or transmission lines until relocation of substation is completed." In other words, the relocation of the substation is not a pre-condition to moving forward with the overall project, it is merely a pre-condition to developing the limited portion of the property where the substation is located.

2. SDG&E "Concerns"

As stated above, SDG&E's concerns appear to be based on its own lack of effort to plan for and relocate its current substation based on general system needs. Despite knowing and agreeing that the Sunroad "new location" was neither needed nor available, SDG&E has inexplicably continued to pursue the Sunroad site to replace its current site. Alternatively, SDG&E complains about the impending construction of homes long ago planned for and vitally needed by the City. Finally, SDG&E complains, but does not propose anything to correct its own failures or address its newly discovered concerns.

SDG&E also mixes and matches concepts. Sunroad agrees that the cost of relocating a substation due to the convenience of the developer is a matter that is open to negotiation, but is regularly paid for by the developer. However, where the infrastructure of the SDG&E system servicing many developments is insufficient for purposes of providing reliable electric utility service to the area, the construction of additional facilities, particularly substations, is the responsibility of SDG&E itself.

In this instance, it appears that SDG&E may now be considering the expansion and replacement of the current General Dynamics substation and is attempting to create a situation whereby selected developers will be required to pay SDG&E's general system costs associated with the expansion and renovation, including, but not limited to, providing property in fee. Further, the existing substation is not on property owned or to be developed by Sunroad and would not be affected by any of the Sunroad proposals for development of property that it owns

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and plans to develop. The current facility is on, and surrounded by, property owned and to be developed by William Lyons Homes, Inc. William Lyons Homes has indicated no requirement that the current substation be modified, relocated, or otherwise affected for it to develop its property that surrounds the location. Sunroad is informed that William Lyons Homes has met with SDG&E on several occasions and has agreed to all of SDG&E's demands for additional area around the current substation site and for the continued operation of the existing substation in its current location.

SDG&E's "concerns" in this regard should be disregarded. First, SDG&E agreed not to pursue the Sunroad location, a move initially proposed by Sunroad but which SDG&E consistently stated was neither needed nor desired. Second, SDG&E operates numerous substations in and around residential communities and has expected that the development of this property would involve significant increase in population density and development over the last several years. If SDG&E believes that its current substation is inadequate, it should make plans accordingly. However, such plans should be submitted and evaluated in the context of the needs for servicing a significantly larger area than the two plans for which SDG&E has expressed its most recent "concerns." As stated earlier, the Sunroad and William Lyons Homes property comprise a small percentage of the master plan area.

3. Conclusion

Sunroad is appreciative of SDG&E's efforts in the past to resolve differences without recourse to disputes before agencies or courts. Indeed, issues associated with the relocation of the current General Dynamic substation to Sunroad property was amicably resolved and Sunroad greatly appreciates SDG&E's cooperation in that regard. However, now, well over a year later, SDG&E appears to be reconsidering its agreement concerning the location of the General Dynamics substation. Neither potential substation relocation and expansion nor residential development by another developer has anything to do with the Sunroad project. Most likely, the operation of the overall SDG&E system, its system reliability in the development of North County and the costs of facilities necessary to provide such service is the cause of SDG&E's new found concerns. SDG&E should have admitted its concerns years ago and should have taken steps then. Sunroad and the City should not be penalized now for SDG&E's failures.

Therefore, Sunroad urges the City to either (1) disregard the alleged "concerns" of SDG&E, (2) require that SDG&E proactively submit a proposal for location of a new substation indicating the need for such substation, the size and extent of the area to be serviced by said substation, copies of any filing or evaluation of said substation, and that any such plans be consistent with the proposals by William Lyons Homes, Inc. now before the City for consideration, and Sunroad's previously approved development plans, and (3) in no event, consider relocation of the current substation to Sunroad's property.

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3. Conclusion

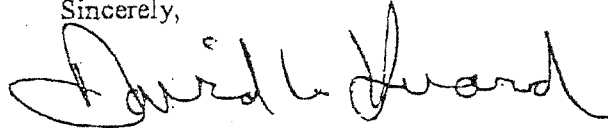
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Please contact the undersigned if you need anything further in this regard.

Sincerely,

A handwritten signature in black ink, appearing to read "David L. Huard". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

David L. Huard
Manatt, Phelps & Phillips, LLP

40833535.1

SDG&E Letter cc's:

Lisa Gonzalez, Office of Councilmember Donna Frye
202 "C" Street, MS #10A
San Diego, CA 92101

Members, Kearny Mesa Planning Group
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J.C. Thomas, SDG&E Public Affairs Manager
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San Diego, CA 92123

Jeff Sykes, SDG&E Land Management
8335 Century Park Court, ML: CP11D
San Diego, CA 92123

Exhibit 54

THE CITY OF SAN DIEGO, CALIFORNIA
MINUTES FOR REGULAR COUNCIL MEETING
OF
TUESDAY, JANUARY 29, 2002
AT 9:00 A.M.
IN THE COUNCIL CHAMBERS - 12TH FLOOR

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Approving the set of San Diego Sustainable Community Program Indicators; and implementing a system whereby pertinent information from City departments is compiled into an integrated report coordinated by the Environmental Services Department (ESD);

Fulfilling the City's commitment as a "Cities for Climate Protection" Partner with the International Council for Local Environmental Initiatives to set a 15% reduction target for greenhouse gas emissions by 2010;

Establishing an ad hoc task force comprised of members of the scientific community and City staff, coordinated by ESD, to refine and further develop the City for Climate Protection Action Plan to reduce greenhouse gas emissions.

Subitem-B: (R-2002-881) ADOPTED AS RESOLUTION R-296025

Adding the Cities for Climate Protection Campaign to the City's portfolio of programs that help to create a legacy of a city worthy of affection for many generations to come.

**RULES, FINANCE AND INTERGOVERNMENTAL RELATIONS COMMITTEE'S
RECOMMENDATION:**

On 1/9/2002, RULES voted 5-0 (Councilmembers Wear, Atkins, Stevens, Madaffer and Mayor Murphy voted yea) to approve the City Manager's recommendations contained in City Manager Report CMR-02-003.

FILE LOCATION: MEET

COUNCIL ACTION: (Tape location: H024-196.)

MOTION BY FRYE TO ADOPT. Second by Stevens. Passed by the following vote: Peters-not present, Wear-yea, Atkins-yea, Stevens-yea, Maienschein-yea, Frye-yea, Madaffer-yea, Inzunza-yea, Mayor Murphy-yea.

ITEM-330: Sunroad At San Diego Spectrum - Initiation Of An Amendment To The Development Agreement.

Matter of approving, conditionally approving, modifying or denying an Initiation of an amendment to the Development Agreement between the City of San Diego and General Dynamics Properties, Inc. The proposed development agreement amendment by and between the City of San Diego and Sunroad Centrum Partners, L.P. would allow Sunroad to develop additional residential dwelling units within the San Diego Spectrum project. Sunroad's property within San Diego Spectrum (formerly General Dynamics) is located in the community of Kearny Mesa east of Kearny Villa Road, south of Lightwave Avenue, west of Paramount Drive, and north of Spectrum Center Boulevard.

(See City Manager's Report CMR-02-019. 41-0101. Kearny Mesa Community Plan Area. District-6.)

CITY MANAGER'S RECOMMENDATION:

Adopt the following resolution initiating the process of amending the General Dynamics Development Agreement:

(R-2002-925) ADOPTED AS RESOLUTION R-296026

Adoption of a Resolution authorizing the City Manager to initiate an amendment to the General Dynamics Development Agreement.

OTHER RECOMMENDATIONS:

Planning Commission on December 6, 2001, voted unanimously (6 - 0) to recommend City Council initiation of an amendment to the General Dynamics Development Agreement. The Planning Commission also provided direction regarding the application of population-based park requirements to new residential development at San Diego Spectrum; no opposition.

Ayes: Stryker, Garcia, Anderson, Lettieri, Schultz, Brown
Not present: Butler

The Kearny Mesa Community Planning Group on November 21, 2001, voted 9-0-1 to recommend that the City's standard population based park requirements be studied to determine if they are appropriate for higher density residential infill projects.

CITY MANAGER SUPPORTING INFORMATION:

Background

The original New Century Center project was approved by the City Council on December 2, 1997, allowing General Dynamics (the original owner) to develop a high-density mixed-use retail, commercial and industrial business park on 242-acres centrally located within the community of Kearny Mesa. A Development Agreement (D.A.) between the City of San Diego and General Dynamics was approved concurrently with the New Century Center project.

In 1998, the D.A. was revised when LNR Kearny Mesa, Inc. purchased the New Century Center project from General Dynamics. In October of 2000, the D.A. was revised once again when the City Council approved LNR's San Diego Spectrum project, allowing for a wide variety of land use changes including the development of a 448-unit multi-family residential project on Planning Area 3B.

During public hearings to consider the San Diego Spectrum project, an additional 550 residential dwelling units were approved pursuant to direction from both the Planning Commission and City Council, who recommended additional residential development at higher densities within San Diego Spectrum. The additional 550 units were allocated to Planning Areas 1B (to be predominantly residential), 1A, 2B, and 3A. In addition to the 550 additional units, the Planning Commission and City Council also encouraged more residential development throughout the San Diego Spectrum project in the future. Existing population-based park standards were not applied to either the 448 multi-family dwelling units nor the 550 additional units. These 998 units would generate a need for 6.0 acres of park land and facilities per the General Plan Standards.

In February of 2001, in response to encouragement from the City to provide residential at San Diego Spectrum, Sunroad Centrum Partners submitted an application to amend the Progress Guide and General Plan and new Century Center Master Plan to construct additional housing units within San Diego Spectrum. On April 5, 2001, the Planning Commission initiated the plan amendment process.

Development Agreement Amendment

City Council Policy 600-37 requires City Council initiation of a development agreement amendment prior to negotiations. Residential development beyond the 448 units approved for LNR is not currently assumed within the D.A., therefore an amendment to the D.A. is required. The proposed modifications to the D.A. will allow Sunroad to develop up to an additional 1,120 dwelling units (550 + 570) on Subareas 1A, 2B, and 3A.

FISCAL IMPACT:

All costs associated with the processing of this project are paid from a deposit account maintained by the applicant. The Extraordinary Benefits required through the original Development Agreement will continue to be assured through the amended Development Agreement.

ENVIRONMENTAL IMPACT:

This activity (Development Agreement Amendment initiation) is not a "project" and therefore is exempt from CEQA pursuant to State CEQA Guidelines Section 15060(c)(3). City staff is currently in the process of drafting a Mitigated Negative Declaration, which will be processed with the proposed Sunroad project if the Development Agreement amendment process is initiated.

Ewell/Christiansen/MJW

LEGAL DESCRIPTION:

Sunroad's property within the San Diego Spectrum project is located east of Kearny Villa Road, south of Lightwave Avenue, west of Paramount Drive, and north of Spectrum Center Boulevard, and is more particularly described as Parcel 1 and 2 of Parcel Map 18574.

FILE LOCATION: DEV'L - General Dynamics Development Agreement (07)

COUNCIL ACTION: (Tape location: B523-C250; D010-E102.)

Hearing began at 11:36 a.m. and recessed at 12:03 p.m.

Hearing resumed at 2:09 p.m. and halted at 3:03 p.m.

Testimony in favor by Paul Robinson, Gary London, Brian Paul, and Buzz Gibbs.

MOTION BY FRYE TO ADOPT. Second by Atkins. Passed by the following vote:
Peters-not present, Wear-yea, Atkins-yea, Stevens-yea, Maienschein-yea, Frye-yea,
Madaffer-yea, Inzunza-yea, Mayor Murphy-yea.

Exhibit 55

From: Jeannette Temple
To: Bagheri, Hamid; Blake, Martha; Chou, Peter; Cruz, John; Ecclesine, Joe; Hempton, Alexander; Mahzari, Farah; Medan, Bob; Vaughan, Alice; Wilhoit, John
Date: 3/21/05 9:35AM
Subject: Fwd: SDG&E Concerns Regarding Sunroad Enterprises Proposed Request for Substantial Conformance Review

John and Reviewing Staff.

Please read the objection from SDGE below for project #64541. Please include appropriate comments in your reviews. Thanks
 Jeannette

>>> "Chomyn, Mark S." <MChomyn@semprautilities.com> 3/18/2005 3:31:58 PM >>>
 Hi Janet.

SDG&E attended the March 16, 2005 meeting of the Kearny Mesa Community Planning Group. In the meeting we learned that Sunroad Enterprises would be processing a Substantial Conformance review through the Development Services Department for a proposed 12-story office building located at the corner of Spectrum Center Blvd. and Kearny Villa Road.

SDG&E is concerned about Spectrum's substantial conformance request. The request replaces the SDG&E Spectrum Substation site, approved as part of the amendments to the Sunroad Centrum Master Plan (LDR No. 4101), and replaces the substation site with a parking area for the proposed 12-story office building. The site plan for the 12-story office building proposal does not indicate graphically, or in notes, any replacement site for the substation site lost to the office building's parking area. We don't believe that a site plan that removes the approved substation site can be found in substantial conformance to development plan amendments approved in LDR No. 4101.

The Manatt/Phelps/Phillips letter of February 14, 2005 to Bill Tripp in behalf of Sunroad Enterprises mentions that SDG&E's September 30, 2003 letter to Sunroad acknowledged that SDG&E was no longer interested in the substation site in Sunroad Centrum. That is incorrect, SDG&E's letter of September 30, 2003 should not be taken as an indication that SDG&E is not interested in the substation site approved in LDR No. 4101.

SDG&E will send a letter to Sunroad clarifying the intent of its September 30, 2003 letter to Sunroad. We will provide a copy of that clarification letter to the city.

If city staff recommends approval of Sunroad's substantial conformance request for the 12-story office building site plan, SDG&E would like to be informed of the process available for its appeal of such a decision.

Please call me at (858) 637-3709 if you have any questions.

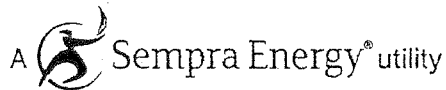
Thanks.

P.S. Please forward this note to Marcella Escobar-Eck and John Wilhoit

Exhibit 56



San Diego Gas & Electric
8335 Century Park Court
San Diego, CA 92123



March 28, 2005

Mr. John Cruz
Development Project Manager
City of San Diego
1222 First Avenue, Mail Sta. 501
San Diego CA 92101-4153

**Re: Sunroad Centrum -12 SCR (LDR No. 41-101) Substantial
Conformance Review, Project No. 64541**

Dear Mr. Cruz:

It has been brought to our attention that Sunroad Enterprises is in the process of seeking Substantial Conformance Review (SCR) approval for a multi story office building within the Sunroad Centrum development area. We also understand that the proposed office building would be supported by a parking lot that covers and replaces an area originally designated as "**New (SDG&E) Substation Location**" in LDR No. 41-0101.

Consequently, since no accommodations have been made to provide a substitute substation site in Sunroad Centrum, and since approval of Sunroad's SCR would appear to eliminate the substation site identified in LDR No. 41-0101, SDG&E contends that Sunroad's SCR, as proposed, is substantially not in conformance with LDR No. 41-0101 and opposes its approval.

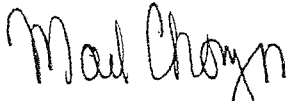
It is our opinion that because of the apparent elimination of the substation site, the City cannot find the revised plan for Sunroad Centrum in substantial compliance with the development plan previously approved in LDR No. 41-0101. Should the city approve the substantial conformance request, SDG&E will take action under the appeal process to the Planning Commission as noted in Information Bulletin 500.

DSD0002336

SDG&E remains available to work with Sunroad Enterprises and the city to resolve this issue.

Please call me at (858) 637-3709 if you have any questions.

Sincerely



Mark Chomyn AICP
SDG&E
Land Planner

Cc: Buzz Gibbs, Kearny Mesa Community Planning Group
Lisa Gonzalez, Office of Councilmember Donna Frye
Jeannette Temple, City of San Diego Development Services
John Wilhoit, City of San Diego Planning Department
Rick Vann, Sunroad Enterprises
Joe Zulauf, SDG&E Electric Transmission & Distribution Planning, 858 637-7981
J.C. Thomas, SDG&E Public Affairs Manager
Jeff Sykes, SDG&E Land Management

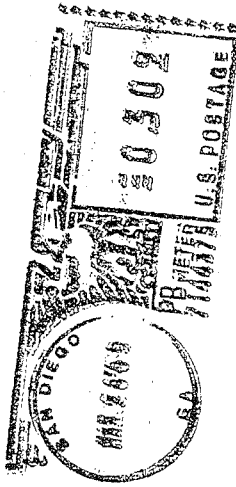
8315 Century Park East, Suite 200
Mark Chomyn CP21E San Diego, CA 92123-1549



Southern
California
Gas Company



92101



Mr. John Cruz
Development Project Manager
City of San Diego
1222 First Avenue, Mail Sta. 501
San Diego CA 92101-4153

CGK NTHH 92101

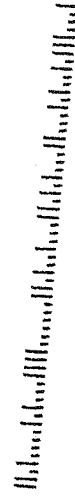


Exhibit 57

HECHT
SOLBERG
ROBINSON
GOLDBERG
BAGLEY

LLP

PAUL E. ROBINSON
ATTORNEY AT LAW

April 21, 2005

Mr. John Cruz
Development Project Manager
City of San Diego
1222 First Avenue, M.S. 501
San Diego, California 92101

**Re: Sunroad Spectrum (LDR No. 41-101); Substantial Conformance Review;
Project No. 64541**

Dear Mr. Cruz:

Our firm represents Sunroad Enterprises ("Sunroad") with respect to the above-referenced project. We were copied on the letter you received from Mr. Mark Chomyn of SDG&E dated March 28, 2005. We are compelled to respond to Mr. Chomyn's letter because it is premised on an underlying fallacy which SDG&E continues to espouse despite repeated attempts by our client to address the issue with SDG&E.

Mr. Chomyn asserts that the office building parking lot currently proposed by Sunroad covers an area originally designated as "New (SDG&E) Substation" in LDR No. 41-0101, which amended the Master Plan for the New Century Center ("Master Plan"). Based on this premise, Mr. Chomyn suggests that the City of San Diego cannot find the revised plan to be in substantial conformance with the approved development (LDR No. 41-0101). Both Mr. Chomyn's assertion and the conclusion he draws from it are not supported by the facts.

The Master Plan does include an option to relocate the SDG&E substation to a non-residential portion of the site or suitable off-site location. (See Master Plan, Volume 3, Section V.8) However, the Master Plan expressly disclaims any intent to approve or identify the actual relocation site. Figure SR-1 in Volume 3 of the Master Plan depicts a "potential relocation envelope" which contains the following disclaimer: **"The above graphic is a representative example only of a possible site layout, and is not meant to convey final layout as other viable options may be permitted."** Consequently, Mr. Chomyn's assertion that a relocation site for the substation was "designated" in the Master Plan is clearly erroneous.

The notion that a relocation site for the substation was approved in the Master Plan has been suggested previously by SDG&E. For reference purposes, I have enclosed two letters that provide a good background on the history of the potential relocation of the substation and related discussions

Mr. John Cruz
April 21, 2005
Page 2

between Sunroad and SDG&E. The first letter, dated December 22, 2004, is from Mr. Chomyn and is addressed to Bill Tripp of the City. The second letter, dated February 14, 2005, is from David Huard and was written in response to Mr. Chomyn's December 22, 2004 letter. As can be seen in these two letters, SDG&E has repeatedly mischaracterized the Master Plan and associated entitlements as they relate to the substation; and, as Mr. Huard points out, SDG&E has changed its position on the fundamental question of whether relocation of the substation is appropriate.

For the reasons discussed above, we urge you to disregard Mr. Chomyn's comments as unfounded and unsupported by the express language of the Master Plan. The City should consider staying out of this misunderstanding between Sunroad and SDG&E. Sunroad is becoming increasingly frustrated with SDG&E's continued interference in its proposed development of the Sunroad Centrum project and is prepared to take all necessary actions to settle this matter once and for all.

As always, please feel free to contact me if you have any questions or concerns regarding this matter.

Sincerely,

HECHT SOLBERG ROBINSON GOLDBERG & BAGLEY LLP



Paul E. Robinson

PER/NSH/set

cc: Mark Chomyn, SDG&E Land Planner
Buzz Gibbs, Kearny Mesa Community Planning Group
Lisa Gonzalez, Office of Councilmember Donna Frye
Jeannette Temple, City of San Diego Development Services
John Wilhoit, City of San Diego Planning Department
Rick Vann, Sunroad Enterprises
Joe Zulauf, SDG&E Electric Transmission & Distribution Planning
J.C. Thomas, SDG&E Public Affairs Manager
Jeff Sykes, SDG&E Land Management

064405.1 278840.2

DSD0002321

Exhibit 58

May 4, 2005

Client-Matter: 08728-036

C. Larry Davis, Esq.
San Diego Gas & Electric
101 Ash Street
San Diego, CA 92101

**Re: SDG&E General Dynamics Substation
Sunroad Enterprises – Spectrum Plan Amendment**

Dear Mr. Davis:

This correspondence serves as notice to San Diego Gas & Electric ("SDG&E") that Sunroad Enterprises ("Sunroad") will no longer tolerate and indeed, will take all appropriate legal action against SDG&E for its repeated and continuing efforts to interfere with Sunroad's ability and right to develop the property variously called New Century Center, Spectrum or Sunroad Centrum.

The interference mentioned above relates to SDG&E's communications with the City of San Diego in which it baldly misrepresents (or conceals) facts relating to the negotiations surrounding the General Dynamic substation and the location of a "new" substation. Specifically, in its correspondence to the City of San Diego, SDG&E, among other acts of bad faith, (1) concealed it had repeatedly represented to Sunroad that the "new" location was neither needed nor available, yet continued to pursue this location; (2) feigned ignorance about the impending construction of residential units near the General Dynamics substation when SDG&E was fully cognizant of the fact that such was and is the intended purpose of this land; and, (3) conveniently omitted SDG&E's marked failures to remedy the current situation. Similar material misstatements were included in the submittal to the California Public Utilities Commission related to relocation of the substation.

The detailed background of this dispute is provided in the attached letter dated February 14, 2005 to the City of San Diego responding to a letter by Mark Chomyn of SDG&E dated December 22, 2004.

In making these misrepresentations, it is self-evident that SDG&E is making a concerted effort to frustrate, if not obstruct, Sunroad from receiving the requisite permits and amendments to the Master Plan from the City of San Diego. By its contacts with the City of San Diego, Kearny Mesa Planning Group and others, SDG&E's action appear designed to prevent Sunroad

Mr. C. Larry Davis
May 4, 2005
Page 2

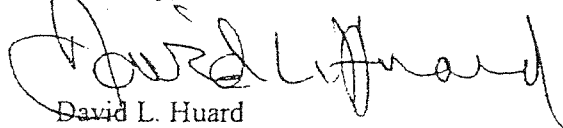
from receiving the economic benefit that it has anticipated and is entitled to receive. These actions evidence nothing more than a desire by SDG&E to engage in protracted litigation with Sunroad for it is clear that SDG&E's conduct in this regard is actionable under various legal theories, including but not limited to intentional interference with prospective economic advantage, negligent interference with prospective economic advantage and unfair competition under California's Business and Professions Code §17200, et seq. *Blank v. Kirwan*, 389 Cal.3d 311, 330 (1985); *J'Aire Corp. v. Gergory*, 24 Cal.3d 799, 804-808 (1979). And, with regard to the cause of action for intentional interference with prospective economic advantage, Sunroad is certainly entitled to and would unreservedly seek punitive damages from SDG&E. Civil Code § 3294.

Be advised that if SDG&E either transmits any further information that is misleading, inaccurate or incomplete, or is designed to interfere with Sunroad's prospective economic advantage in developing the subject property to any other entity, including but not limited to the City of San Diego, or if the City of San Diego, who has purview over the development of the subject property, takes action inconsistent with Sunroad's economic advantage based on previous SDG&E communications, Sunroad will, without any further notice to you, file suit against SDG&E and any individual involved in relaying such information and pursue its rights to the fullest extent of the law. SDG&E created the circumstances which give rise to this correspondence. As such, SDG&E has the ability to eliminate the need for legal action by comporting itself in good faith. I hope that SDG&E chooses the proper course of action.

I trust that this correspondence has accurately relayed Sunroad's sentiments about SDG&E's actions.

Please feel free to contact me should there be any questions about Sunroad's intent.

Sincerely,



David L. Huard
Manatt, Phelps & Phillips, LLP

DLH/SNW

cc: R. Vann, Sunroad Enterprises
Kenneth Lewis, Energy Division
Re: SDG&E Advice 1473-E

Exhibit 59

HECHT
SOLBERG
ROBINSON
GOLDBERG
BAGLEY
LLP

PAUL E. ROBINSON
E-Mail: probinso@hsrqb.com

May 16, 2005

Ms. S. Gail Goldberg
Planning Department Director
City of San Diego
202 C Street, 5th Floor
San Diego, CA 92101

Re: SDG&E General Dynamics Substation
Sunroad Spectrum (LDR No. 41-101)
Substantial Conformance Review;
Project No. 64541

Dear Gail:

Our firm represents Sunroad Enterprises ("Sunroad") with respect to the above-referenced project. Please find the enclosed May 4, 2005 letter from Sunroad's counsel, David Huard, to San Diego Gas & Electric ("SDG&E") regarding SDG&E's conduct respecting an existing SDG&E substation located within the New Century Center Master Plan ("Master Plan") area and discussions relating to the possible relocation of the substation. For reference purposes, I have also enclosed a copy of Mr. Huard's February 14, 2005 letter to Mr. Bill Tripp of the City's Development Services Department which provides additional background information on the substation.

I wanted to call your attention to this matter because SDG&E has repeatedly misrepresented the negotiations surrounding the SDG&E substation and its possible relocation. As I previously relayed to the City in an April 21, 2005 letter to Mr. John Cruz of Development Services, Sunroad has become increasingly frustrated with SDG&E's continued interference with the Spectrum project and its repeated mischaracterizations of the Master Plan as it relates to a potential relocation site for the substation. I concluded the letter by suggesting that Sunroad was prepared to take all necessary actions against SDG&E to settle the matter.

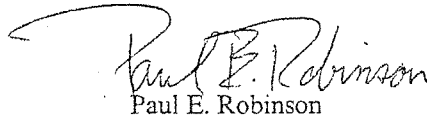
It now appears that Sunroad may be forced to take such action. As discussed in Mr. Huard's 5/4/05 letter, Sunroad will take legal action against SDG&E if it continues to persist in its present conduct and interfere with Sunroad's entitlement process and the Spectrum project generally.

We strongly encourage the City of San Diego to stay out of what has become an increasingly acrimonious dispute between two private parties.

Ms. S. Gail Goldberg
May 16, 2005
Page 2

As always, please feel free to contact me if you have any questions.

Sincerely,

A handwritten signature in dark ink, appearing to read "Paul E. Robinson". The signature is fluid and cursive, with a large, sweeping initial "P".

Paul E. Robinson

HECHT SOLBERG ROBINSON GOLDBERG & BAGLEY LLP

PER/st
281230_2.DOC

Enclosure

cc: Lisa Gonzalez, Office of Councilmember Donna Frye
John Cruz, City of San Diego Development Services
Jeannette Temple, City of San Diego Development Services
John Wilhoit, City of San Diego Planning Department
Rick Vann, Sunroad Enterprises
Buzz Gibbs, Kearny Mesa Community Planning Group
Mark Chomyn, SDG&E Land Planner
Jeff Sykes, SDG&E Land Management
J.C. Thomas, SDG&E Public Affairs Manager
Joe Zulauf, SDG&E Electric Transmission & Distribution Planning

DSD0002317

Exhibit 60



THE CITY OF SAN DIEGO

August 19, 2005

Mr. Dan Munch
BPA
4435 Eastgate Mall, Suite 100
San Diego, CA 92121

Dear Mr. Munch:

Subject: **Sunroad Centrum-12 SCR 2nd** Assessment Letter; Project No. 64541; Job Order No. 42-4105; Kearny Mesa Community Plan Area

The Development Services Department has completed second review of the above referenced project.

- Substantial Conformance Review (SCR) (PROCESS 2) for the construction of a twelve (12) story, 206,000 square foot commercial office building in conformance with the conditions and requirements of the New Century Center Master Plan #96-0165 and located within the Kearny Mesa Community Plan.

Attached to this assessment letter is a Cycle Issues Report (Enclosure 1) which contains review comments from staff representing various disciplines, outside agencies and the community planning group. The purpose of this assessment letter is to summarize the significant project issues and identify a course of action for the processing of your project.

If any additional requirements should arise during the subsequent review of your project, we will identify the issue and the reason for the additional requirement. To resolve any outstanding issues, please provide the information that is requested in the Cycle Issues Report. If you choose not to provide the requested additional information or make the requested revisions, processing may continue. However, the project may be recommended for denial if the remaining issues cannot be satisfactorily resolved and the appropriate findings for approval cannot be made.

I. **REQUIRED APPROVALS** - Your project as currently proposed requires the processing of:

- Required approvals: Substantial Conformance Review (SCR) (PROCESS 2) for the construction of a twelve (12) story, 206,000 square foot commercial office building.



Development Services

1222 First Avenue, MS 501 • San Diego, CA 92101-4155
Tel (619) 446-5460

DSD0002586

II. SIGNIFICANT PROJECT ISSUES: The significant project issues are summarized below. Resolution of these issues could affect your project. Additional explanation is provided in the Cycle Issues Report.

KEY ISSUES:

- As of this writing, the relocation of the SDG&E substation remains an unresolved issue. A meeting between City staff, Sunroad, and Lyon is scheduled for September 9, 2005. After this meeting, City staff will have a recommendation on this project. As a reminder, the proposed project does not conform to the New Century Center Master Plan #96-0165 and the related Volumes 1, 2, & 3. In addition, this project is not consistent with Mitigated Negative Declaration (MND) LDR No. 41-0101. See your Cycle Issues Report for further comments from the staff reviewing your project.

III. PROJECT ACCOUNT STATUS: Our current accounting system does not provide for real-time information regarding account status, however, our records show approximately \$11,569.83 billed to date. Based on the processing point, unresolved issues, and level of controversy of your project, it is anticipated that approximately \$5,000.00 will be required with your resubmittal. This amount will also cover the cover deficit of \$2,140.83. Your attention to this deficit is greatly appreciated.

During the processing of your project, you will continue to receive statements with the breakdown of staff charges to your account. A copy of your statement is attached (Enclosure 2). Should you have questions about those charges, please feel free to contact me directly.

IV. TIMELINE: Upon your review of the attached Cycle Issues Report, you may wish to schedule a meeting with staff and your consultants prior to resubmitting the project. Please phone me if you wish to schedule a meeting with staff. During the meeting, we will also focus on key milestones that must be met in order to facilitate the review of your proposal and to project a potential timeline for a hearing date. Your next review cycle should take approximately 20 days to complete.

V. RESUBMITTALS/NEXT STEPS: When you are ready to resubmit, please phone (619) 446-5300 and request an appointment for a "Submittal-Discretionary Resubmittal." Resubmittals may also be done on a walk-in basis, however you may experience a longer than desirable wait time. In either case, please check in on the third floor of the Development Service Center (1222 First Avenue) to be placed on the list for the submittal counter. At your appointment, provide the following:

A. Plans and Reports: Eight (8) sets of plans as shown on the attached Submittal Requirements Report (Enclosure 3). The plans should be folded to an approximate 8 ½ x 11 inch size.

B. Cycle Issues Report response letter: Prepare a cover letter that specifically describes how you have addressed each of the issues identified in the Cycle Issues Report and any issues identified in this cover letter, if applicable. Or, you may choose to simply submit the Cycle Issues Report, identifying within the margins how you have addressed the issue. If the issue is addressed on one or more sheets of the plans or the reports, please reference the plan, sheet number, report or page number as appropriate. If it is not feasible to address a particular issue, please indicate the reason. Include a copy of this Assessment Letter, Cycle Issues Report and your response letter if applicable, with each set of plans.

C. Account: Submit a check in the amount of **\$5,000.00**. Payment should be made payable to the City Treasurer. Please include the project "job order" number #42-4105 on your check.

VI. COMMUNITY PLANNING GROUP: Staff provides the decision maker with the recommendation from your locally recognized community planning group. Since you already obtained a recommendation from the community planning group, in your resubmittal, if applicable, please indicate how your project incorporates any input suggested to you by the community planning group.

Bulletin 620 which is available on our department website at <http://www.sandiego.gov/development-services/>, provides some valuable information about the advisory role the Community Planning Group. For your reference, Council Policy 600-24 available on the City website at <http://clerkdoc.sannet.gov/Website/council-policy>, provides "Standard Operating procedures and Responsibilities of recognized Community Planning Committees".

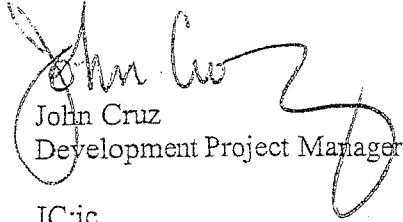
VII. STAFF REVIEW TEAM: Should you require clarification about specific comments from the staff reviewing team, please contact me, or feel free to contact the reviewer directly. The names and telephone numbers of each reviewer can be found on the attached Cycle Issues Report (Enclosure 1).

In conclusion, please note that information forms and bulletins, project submittal requirements, and, the Land Development Code, may be accessed on line at <http://www.ci.sandiego.ca.us/development-services/industry/forms.shtml>. Many land use plans for the various community groups throughout the City of San Diego are now available on line at <http://www.sandiego.gov/planning/profiles/>.

For modifications to the project scope, submittal requirements or questions regarding any of the above, please contact me prior to resubmittal. I may be reached by telephone at (619) 446-5439 or via e-mail at jacruz@sandiego.gov

Page 4
Dan Munch
August 19, 2005

Sincerely,



John Cruz
Development Project Manager

JC:jc

Enclosures:

1. Cycle Issues Report
2. Account Statement
3. Submittal Requirements Report

cc: File
Project Management Administrative Aide
Buzz Gibbs, Chair, Kearny Mesa Community Planning Group
Reviewing Staff (Assessment letter only)

DSD0002589

Exhibit 61

From: David Miller
To: Betsy McCullough; Bob Manis; Farah Mahzari; Jeannette Temple; Jeff Strohming; John Cruz; John Wilhoit; Labib Qasem; Martha Blake; Peter Chou; Rodolfo Jauregui
Date: 11/4/2005 10:03:05 AM
Subject: Re: SUNROAD CENTRUM-12 SCR meeting synopsis

That was one of the issues that I was trying to bring up at the meeting. We need to see where these units are going and whether they are violating the permit conditions.

>>> John Wilhoit 11/04/05 9:38 AM >>>

I thought I heard Labib say that they would have to show the road on the plans but they wouldn't have to build it until the warrants are met, i.e. in the second phase. Also, if they do not show a place for the substation in their buildout plan, they will need to show that SDG&E agrees that it will be moved offsite. Finally, has Lyon Homes been blocked from pulling any more building permits? They claimed that their next phase of 31 units would go forward before they had to deal with the substation, but those units-- wherever they go--will be on a lot that contains SDG&E easements. John Wilhoit

>>> John Cruz 11/04/05 8:55 AM >>>

It is my understanding that we are all in agreement that in order for staff to properly evaluate their SCR request, Sunroad must submit a complete rendering of exactly what their ENTIRE project will encompass. They certainly may phase, but the complete proposal will depict all aspects of each phase. This will prevent the possibility of surprises and inconsistencies each time a new phase is submitted. Requesting a complete vision of their proposal may be the impetus necessary for Sunroad to submit a solution to the SDG&E substation dilemma.

If the currently submitted plans do not change, it is understood that we will require them to provide a street running north and south (from Lightwave Ave to Spectrum Center Blvd) in order to provide traffic relief. Labib Qasem will communicate this to the applicant when he responds to the most recently submitted Traffic Study. This would appear to satisfy John Wilhoit's concern that the proposed location of both the parking structure and parking beneath the office structure not be accessed primarily from Spectrum Center Boulevard.

Unless staff has any opposition or more to add, I will send an Assessment Letter to the applicant today which will communicate our stance.

John Cruz
x65439

Exhibit 62

John Cruz - Sunroad Spectrum Office Building SCR

From: "Steve Laub - Land Solutions Inc" <slaub@landsolutionsinc.net>
To: "Jeannette Temple" <JTemple@sandiego.gov>, <jacruz@sandiego.gov>
Date: 12/6/2005 9:51 AM
Subject: Sunroad Spectrum Office Building SCR
CC: "John Wilhoit" <JWilhoit@sandiego.gov>, <tstory@sunroadenterprises.com>, "Dan Feldman" <dfeldman@sunroadenterprises.com>, "Rick Vann" <rvann@sunroadenterprises.com>, "Paul Robinson" <probinson@hsrgb.com>, "Brian Paul" <bpaul@bpa-arch.com>, <lqasem@sandiego.gov>

Hi Jeannette & John

As we prepare the revised items that we discussed at our meeting last week, I just wanted to summarize and get your agreement that this is what we need to submit in order to obtain approval of the SCR for the Sunroad Centrum Office Building in Spectrum. Please confirm that this is correct:

- Revised site plan to show complete N-S driveway from Spectrum Center to Lightwave as part of this application
- Traffic signals at intersections of this new driveway at both ends (Spectrum center and Lightwave) to be a part of this application, along with required restriping to be determined by Sunroad's traffic engineer and approved by Labib
- The new signal on Lightwave to be interconnected with the signal at Lightwave & Kearny Villa Rd. This will mitigate any issues due to the proximity of the two signals
- All-way stop at the midpoint of the driveway where access is taken to the proposed and future buildings
- Sunroad traffic engineer to revise access analysis in response to Labib's comments re: trip distributions, striping, future signal at Intersection "4" instead of "3".
- Show "Alternate Potential Relocation Envelope" for SDGE substation along Lightwave Avenue that is not encumbered by future office buildings or the new driveway. This would not be a commitment by City or Sunroad as to the ultimate resolution of the question of relocating the substation, but will be included at this time to illustrate that the current project will not preclude the relocation to this area if that is later decided.
- Site plan will add a stronger description of landscaping adjacent to the surface parking area to mitigate visual impact from Spectrum Center Blvd.
- Site plan will retain commitment for future above ground structure to have ground-floor commercial uses along Spectrum Center Blvd. and wrapping around corner at driveway.
- Site plan will also retain commitment for upgraded facade design of parking structure along Spectrum Center Blvd.
- Site plan will show landscaping of temporary parking area
- Site plan will show better detail of sidewalk connection between surface parking lot/future structure and the office building. This will address John Wilhoit's concerns about the movement of pedestrians here.

Please confirm that this is everything and that we have the details correct. We anticipate that we will be able to resubmit everything before Christmas. Thank you all again for meeting with us to work these issues out.

PS - I do not have an e-mail address for David Miller. Could you make sure that he gets a copy of his summary to review?

Steve

Steve Laub

Land Solutions, Inc.
 7593 El Paso St.
 La Mesa, CA 91942

file:///C:/Documents and Settings/jacruz/Local Settings/Temp/GW/00002.HTM

DSD0002240

Exhibit 63

From: Gary Halbert
To: Zulauf, Joe
Date: 4/6/2006 2:28:47 PM
Subject: Re: Letter to Sunroad Enterprises

Joe,

I've sent a draft of the letter to Jim Waring and he's making some edits. I'll send you a copy as soon as it gets finalized. I'll be out Monday through Wednesday next week, so it may be late in the week before I get it to you.

Thanks, Gary

ghalbert@sandiego.gov

>>> "Zulauf, Joe" <JZulauf@semprautilities.com> 4/4/2006 10:56 AM >>>

Hello Gary:

Thanks again for making time with me to discuss the SDG&E substation and surrounding developments.

I also wanted to know if you have already sent the letter you discussed to Sunroad, and if I could get a copy of the letter? Thanks

Joe Zulauf
Project Manager
Electric Transmission Project Management
San Diego Gas & Electric Company
858.637.7981 office
619.843.7160 mobile

Exhibit 64

From: Gary Halbert
To: Temple, Jeannette; Billiard, Shelia
Date: 4/18/2006 10:44:35 PM
Subject: Re: Fwd: Spectrum - substation

Jeannette,
Aaron is someone who works with Sunroad.

Shelia,
Would you please include Jeanette Temple in this meeting?

Thanks, Gary

ghalbert@sandiego.gov
>>> Jeannette Temple 04/17/06 6:31 PM >>>
Gary,
Who is Aaron and can I be invited?

Jeannette Temple
Supervising Development Project Manager
Development Services Department
City of San Diego
1222 First Av, MS 501
San Diego, CA 92101
(619) 557-7908
(619) 446-5499 FAX
jtemple@sandiego.gov
<http://www.sandiego.gov/development-services/>
>>> Gary Halbert 04/17/06 3:25 PM >>>
fyi. gary

>>> Jim Waring 04/17/06 03:08PM >>>
Aaron;

This is the follow-up to our brief conversation of last Friday. Gary and I will be pleased to meet and discuss the substation issue before sending the letter I mentioned. Since this issue also involves Sempra, I suggest we have someone from Sempra attend. Let's plan in this meeting to either resolve the issue to everyone's satisfaction or, failing that, clearly identify the area of disagreement. By having all the interested parties present, we can maximize the chances of a positive outcome.

Please let me know some convenient times for you to meet, or have your office contact my assistant, Shelia Billiard, who coordinate my calendar.

We look forward to resolving this question.

James T Waring, Deputy Chief
Land Use and Economic Development
City of San Diego
202 C Street, 9th Fl
San Diego, Ca 92101
jwarling@sandiego.gov
(619) 235 5718

Exhibit 65

From: Gary Halbert
To: Temple, Jeannette
Date: 4/18/2006 10:45:21 PM
Subject: Fwd: RE: 4/19/06 Kearney Mesa Planning Group Meeting

Jeannette,
would this be you?

Thanks, Gary

ghalbert@sandiego.gov

Attachments: RE: 4/19/06 Kearney Mesa Planning Group Meeting

From: "Zulauf, Joe" <JZulauf@semprautilities.com>
To: Halbert, Gary; Waring, Jim
CC: Larson, Jill; Lewis, Marie; Chomyn, Mark S.; Acuna, Tom G.
Date: 4/17/2006 5:53:09 PM
Subject: RE: 4/19/06 Kearney Mesa Planning Group Meeting

Jim:

I would be the person to meet with you and Mr. Feldman.

With regards to Wednesday's meeting, we suggest that someone from Gary's group, and not SDG&E, contact the Planning Chair in order to continue Sunroad's agenda item.

-----Original Message-----

From: Jim Waring [mailto:JWaring@sandiego.gov]
Sent: Monday, April 17, 2006 2:59 PM
To: Gary Halbert; Zulauf, Joe
Cc: Larson, Jill; Lewis, Marie; Chomyn, Mark S.; Acuna, Tom G.
Subject: Re: 4/19/06 Kearney Mesa Planning Group Meeting

Joe;

Gary and I will be meeting soon with Aaron Feldman. I saw Aaron last week and told him we had a serious concern with the substation. He indicated that he wants to come meet with us and explain why he thinks he has fulfilled his obligations. My intent is to have someone from Semptra at that meeting so we can put this to bed in a single meeting. Who from Semptra would be best?

As for the planning group, please have whoever is conducting the meeting continue for one month.

James T Waring, Deputy Chief
Land Use and Economic Development
City of San Diego
202 C Street, 9th Fl
San Diego, Ca 92101
jwaring@sandiego.gov
(619) 235 5718

>>> "Zulauf, Joe" <JZulauf@semprautilities.com> 4/17/2006 10:27 AM >>>

Hi Gary:

Attached is an agenda for Wednesday's Kearny Mesa Planning Group meeting. Item 6 on the agenda, and item B under "future action" are of special interest to SDG&E. Both of these actions could impact the final disposition of the existing substation. And even though they are just "informational only" at this time, SDG&E intends to adamantly oppose both Wednesday and at subsequent meetings as necessary. As you are aware, SDG&E

believes that questionable land use and entitlement issues exist, which affect the properties that are the subject of these agenda items.

In preparation for Wednesday's meeting, we would like to know if the City has now gone on record with its position concerning the permitting of future development on Sunroad Spectrum and the Promenade. This information would be very helpful for the Planning Group to consider when evaluating the agenda items. Any information you could provide would be helpful. Thanks

<<KMPG.pdf>>

Joe Zulauf

Project Manager

Electric Transmission Project Management

San Diego Gas & Electric Company

858.637.7981 office

619.843.7160 mobile

Exhibit 66

From: Lysanda Bostic
To: DSC 5C/18 Persons; Halbert, Gary; Temple, Jeannette; Waring, Jim
CC: Bostic, Lysanda; Billiard, Shelia
Date: 5/11/2006
Time: 9:00:00 AM - 10:00:00 AM
Subject: Centrum
Place: DSC 5C

4/20 per Halbert. Meeting will be here at DSC per Waring.

Attendees: Aaron Feldman; Dan Feldman; Rick Vann; maybe Tom Story; Jim Waring; Gary Halbert; & Jeannette Temple.

Sunroad
4445 Eastgate Mall, Suite 400
SD 92121
858/362-8500

Attachments: Fwd: Map to Sunroad - Meeting on 5-11 @ 9:00 am

Exhibit 67



THE CITY OF SAN DIEGO

JOHN CRUZ

Development Project Manager

Project Management • Development Services

MS 302 • (619) 446-5439 • (619) 446-5245 (FAX) • email: jacruz@san-diego.gov

MEMO

NAME

ORGANIZATION

Marie Lewis

Counsel, SDGE

Caroline Winn

TSD Planning, SDGE

Tom Story

Sunroad

Aaron Feldman

"

Rick Vann

"

Paul Robinson

"

Gary Halbert

City, DSD

Jim Waring

CITY, MAYOR'S
OFFICE



DIVERSITY
UNIDOS DE ALL TOGETHER



THE CITY OF SAN DIEGO

JOHN CRUZ

Development Project Manager

Project Management • Development Services

MS 302 • (619) 446-5439 • (619) 446-5245 (FAX) • email: jacruz@san-diego.gov

MEMO

SINBAD

- "Has SDG&E explored other locations?"

- off site?

- Should they move the substation?

"Can it stay?"

SDG&E

"Yes, we have pursued other locations."

They have discussed w/ Lyon Homes.

William Lyon Homes has determined
that it is not economically feasible
for them.

"No. the substation can not stay
where it is today"



DIVERSITY
BRINGS US ALL TOGETHER

Can not go underground. Extremely expensive.
"we have never moved a sub-station underground"

Upon purchase, Sunroad understood that SDG&E was going to pay for 100% of relocation

After much , Sunroad offered to give the property to SDG&E in exchange for easements SDG&E said no and would keep things as they are.

Sunroad said to Greystone

Greystone said to William Lyon

be willing to
"Sunroad will hire a consultant to evaluate a Relocation and come up with a potential cost that is amicable to all.



THE CITY OF SAN DIEGO

JOHN CRUZ

Development Project Manager

Project Management • Development Services

MS 302 • (619) 446-5439 • (619) 446-5245 (FAX) • email: jacruz@sanidiego.gov

MEMO

- The Substation ~~could~~ be moved within the William Lyon property
- Yes, they will need more capacity at same point.
- They would ^{need} 7 or 8 acres for a substation.
- It takes 24 miles to build a new substation. To go through the regulatory process too — 3 years.
(Pilot program available that could expedite the process.)

~~William Lyon~~ SUNROAD

They have identified 5 or 6 alternate sites. But, SDG&E did not want to look into those sites.



Can we possibly make the nearby
sites larger - eventually eliminating
the existing site?

SDG&E & SunROAD will ^{attempt to} hire a
consultant - together - to evaluate
alternatives - (SEE NOTES)

- Both intend to return to the City
after addressing:
 - Expanding existing site
 - Other alternative sites
 - Moving to corner (of

Exhibit 68

From: "Paul Robinson" <probinson@hsrgb.com>
To: Waring, Jim
CC: Halbert, Gary
Date: 5/11/2006 4:48:57 PM
Subject: Sunroad Meeting

Jim

The meeting turned out very well. I am optimistic an acceptable solution will be found. Thanks for getting all of us together.

Paul

Exhibit 69

From: Jim Waring
To: Halbert, Gary
Date: 5/25/2006 9:28:43 AM
Subject: Fwd: RE: Scheduling

FYI

>>> Jim Waring 5/25/2006 9:28 AM >>>

Jim;

I spoke yesterday with Paul Robinson and asked what was happening on this issue. He indicated Sunroad was working on a solution.

I have copied Paul on this response and am asking Paul to make something happen.

As Gary and I have consistently said, we really think the parties need to work this out. The City will get involved and will get this resolved, but clearly prefer it be done privately, if at all possible.

If nothing happens in the next week or 10 days, please let me know.

Ji

James T Waring, Deputy Chief
Land Use and Economic Development
City of San Diego
202 C Street, 9th Fl
San Diego, Ca 92101
jwaring@sandiego.gov
(619) 235 5718m

>>> "Jim Bartell" <Jim.Bartell@bartellassociates.com> 5/24/2006 5:35 PM >>>

Jim:

Thank you again for your assistance in trying to resolve the substation relocation issue.

Per your email of May 11th, I haven't heard from Sunroad.

Are you available next week to meet with our team and SDG&E to discuss next steps?

Thanks.

Jim

Jim Bartell

President

Bartell & Associates

3900 Fifth Avenue, Suite 140

San Diego, CA 92103

W: 619-756-7012

M: 619-787-0333

jim.bartell@bartellassociates.com

From: Jim Waring [mailto:JWaring@san Diego.gov]

Sent: Thursday, May 11, 2006 5:39 PM

To: Jim Bartell; Kris Michell

Cc: Shelia Billiard

Subject: RE: Scheduling

Jim;

You should be getting a call in the next few days from Sunroad. If you don't, please let me know. We met today and left with Sunroad and SDG&E agreeing to at least work toward a solution. William Lyon was clearly part of the discussion.

The City's position is that the environmental documents and the development agreement between Sunroad and the City require the substation to be moved. The provisions of your contract with Greystone and their's with Sunroad is not our issue.

We had the meeting to encourage a solution and to repeat the impact on future permits until it is resolved. We emphasized that the City is acting to encourage a solution.

>>> Kris Michell 5/11/2006 1:37 PM >>>

Jim, I completely agree with Gary's suggestion that Jim Waring is the appropriate person to head up this one. Jim Waring's assistant, Shelia Billiard, can be reached at (619) 235-5716.

Kris

Kris Michell
Deputy Chief for
Community & Legislative Services
(619) 236-7742 Direct Dial
(619) 236-6249 Assistant Tanya Lundy
kmichell@san Diego.gov

>>> "Jim Bartell" <Jim.Bartell@bartellassociates.com> 05/11/06 11:17 AM >>>

Kris:

I spoke with Gary Halbert yesterday and he suggested that the lead for this meeting should be Jim Waring. Please give me a call to discuss coordination.

Thanks.

Jim

Jim Bartell
President
Bartell & Associates
3900 Fifth Avenue, Suite 140
San Diego, CA 92103
W: 619-756-7012
M: 619-787-0333
jim.bartell@bartellassociates.com

-----Original Message-----

From: Cynthia Lewis [mailto:CynthiaLewis@sandiego.gov]

Sent: Thursday, May 11, 2006 10:12 AM

To: Jim Bartell

Cc: Kris Michell; Tanya Lundy

Subject: Re: Scheduling

Jim,

Thank you for your email requesting a meeting with Mayor Sanders regarding the Promenade project.

The Mayor's calendar is booked for the next couple of months, so to expedite this meeting I have forwarded your request to Kris Michell, Deputy Chief of Community and Legislative Services. Kris or a member of her team will contact you directly to facilitate this meeting.

If I can be of further assistance, please let me know.

Sincerely,

>>> "Jim Bartell" <Jim.Bartell@bartellassociates.com> 5/9/2006 5:32:58 PM >>>
Cynthia:

I am representing William Lyon Homes (WLH) on a project ("Promenade") in the Spectrum Complex on Kearny Villa Road.

We have had ongoing communications with SDG&E regarding the relocation of their substation on the property we are permitted to construct 168 condominiums. At our meeting with SDG&E last week, we all agreed that it would be beneficial to coordinate the resolution and timing of this issue with the Mayor and City staff.

We are requesting that the following people be included in the meeting:
Mayor Sanders, Jim Waring, Gary Halbert, Jeanette Temple, John Cruz,
John Wilhoit and Lisa Gonzales (Council District 6).

Attending with me will be Brian Doyle (WLH - Regional Manager), Sean
Dyer (WLH - Vice President), Erick Van Wechel (WLH - Project Manager),
Cindy Eldred (attorney), and J.C. Thomas (SDG&E Government Affairs
Manager).

Thank you for your assistance.

Jim

Jim Bartell

President

Bartell & Associates

3900 Fifth Avenue, Suite 140

San Diego, CA 92103

W: 619-756-7012

M: 619-787-0333

jim.bartell@bartellassociates.com

Cynthia Lewis
Director of Scheduling
City of San Diego
Office of the Mayor
202 "C" Street, 11th floor
San Diego, CA 92101

Exhibit 70



THE CITY OF SAN DIEGO

May 30, 2006

Mr. Tom Story
Sunroad Centrum Partners, LLP
4445 Eastgate Mall, Suite 400
San Diego, CA 92121

Dear Mr. Story:

SUBJECT: Extended Environmental Initial Study Status for Sunroad Centrum Residential (Project No. 99397)

The Environmental Analysis Section (EAS) of the Land Development Review Division has reviewed the above-referenced project and has determined that additional information is required. The California Environmental Quality Act (CEQA) requires that before approving discretionary projects, the Lead Agency, in this case the City of San Diego must identify and examine the significant adverse environmental effects which may result from that project. To this end the following information must be submitted prior to the completion of the Initial Study for your project:

INFORMATION NEEDED

Water Supply

According to Senate Bill 610, environmental documents for projects proposing more than 500 dwelling units must contain a discussion regarding the availability of water to meet the water demands of the project for a 20-year planning horizon, including single and multiple dry years. Senate Bill 221 requires the decisionmaker to make a finding that the project's water demands for the planning horizon would be met prior to the approval of the tentative map. Attached is an "unofficial sample" of the information needed so that the necessary water study can be prepared. Pages 4 - 8 explain what is needed, and pages 1-3 are examples of what needs to be submitted to EAS staff. Once the necessary information has been submitted, EAS staff will provide all other necessary project information to the Water Department staff so that the water study can be completed. If you have any questions regarding the attached "unofficial sample" please feel free to contact Leon Firshat at 619-533-6603.

Health and Public Safety

According to the "Phase I Environmental Study, San Diego Spectrum, Parcels 1 & 2, San Diego, California" (May 2000) prepared by GEOCON, the project site is located on a portion of the former General Dynamics facility. While the site is not currently on the San Diego County Department of Environmental Health (DEH) list of contaminated sites, contamination of the site has been investigated previously. Therefore, due to the change in use, the applicant must contact DEH and participate in the Voluntary Assistance Program (VAP) to assess the project's potential impacts on health and safety. The applicant will be required to provide EAS with a concurrence



Development Services

1222 First Avenue, MS 501 • San Diego, CA 92101-4155
Tel (619) 446-5460

DSD0001137

letter from DEH subsequent to participation in the VAP. The applicant can either contact the Program Coordinator Nasser Sionit at 619-338-2239 and/or obtain information on the program via the County's website: www.co.san-diego.ca.us/deh/lwq/sam. The concurrence letter would be required by EAS prior to the issuance of the building permit.

Waste Management

According to Assembly Bill 939, the City of San Diego is required to divert at least 50 percent of its solid waste from landfill disposal through source reduction, recycling, and composting by 2000. Since the project proposes to construct over 50 multi-family units the applicant is required to prepare a solid waste generation/disposal plan which addresses the construction and occupancy phases of the project. The waste management plan must be prepared by the applicant and approved by the Environmental Services Department (not to be confused with the Environmental Analysis Section). The applicant should contact Donna Chralowicz in the Environmental Services Department at 858-492-5059 for assistance and information regarding the required plan. Please provide EAS with a copy of the plan so that it can be described in the environmental document.

Sunroad Centrum Mitigated Negative Declaration (MND LDR No. 41-0101) Mitigation

According to the MND a SDGE substation was planned for construction adjacent to the site. Please provide information regarding the planned relocation and status of the SDGE substation for inclusion within the environmental document. Please explain how this project demonstrates compliance with the mitigation conditions for Transportation/Circulation and Public Services contained within the aforementioned MND.

Visual Quality

According to the City of San Diego's Significance Thresholds, a large project that would result in an exceedingly monotonous visual environment could result in a significant visual quality environmental impact. The eastern elevation of this project may meet this criterion since the units appear to be virtually identical. Please provide additional information and/or elevations which demonstrate that this criterion has not been met.

Other Information:

Paleontology

According to the maps located in the Land Development Review Resource Library, the project site is located over the Linda Vista formation which has a medium sensitivity rating for paleontological resources; and this formation has yielded important remains of near shore marine invertebrates. According to the City of San Diego's Significance Thresholds, grading and excavation exceeding 2000 cubic yards of cut at a depth of 10 feet or greater within this formation would require paleontological monitoring. Since the project would require the 185,000 cubic yards of cut at a maximum depth of 22 feet paleontological monitoring will be required during grading activities to preclude impacts to sensitive paleontological resources.

EAS staff will coordinate with the other reviewers regarding any other potential environmental issues. Until the above information has been provided, we are not able to complete the Initial Study for your project and the environmental processing timeline will be held in abeyance. A determination of Negative Declaration, Mitigated Negative Declaration, or Environmental Impact Report will be made based upon receipt of the required information.

If you have any questions regarding this letter or environmental issues, please call the environmental analyst, Marilyn Mirrasoul, at 619-446-5380.

Sincerely,



Eileen Lower
Senior Planner

EHL/mem

cc: John Cruz, Development Project Manager
Eileen Lower, Senior Planner
EAS File
Darren Genova, LDR Permit Planner
Craig Hooker, LDR Landscaping
Jeff Harkness, Park & Recreation
Lesley Hennegar, Long Range Planning
Farah Mahzari, LDR Transportation

(JO No. 426264)

Exhibit 71



THE CITY OF SAN DIEGO

June 2, 2006

Joe Zulauf
San Diego Gas & Electric Company
8315 Century Park Court, CP21G
San Diego, CA 92123

Dear Mr. Zulauf:

Thank you for your letter dated April 3, 2006. In your letter you raised several issues regarding the Construction Permits for Spectrum Promenade North Development, Phases 5-7. That site is governed by Planned Residential Permit No. 99-1269. As such, all applications for building permits will be reviewed by our department, including reviewers whose purpose is to ensure compliance with the approved Master Plan and Environmental document.

As we have verbally stated before, the Master Plan specifically requires the relocation of the SD&E Substation with the introduction of residential uses to the Mixed Use Commercial/Residential area. Additionally, all Engineering permits for a private road within the site would be reviewed by our current planning reviewers.

Development Services Department continues to support the relocation of the SDG&E Substation prior to any additional building permits being issued adjacent to land occupied by the Substation or easements pertaining to that use.

We look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Halbert", written over a horizontal line.

Gary Halbert
Development Services Director

GWH/JT/lgb



Development Services

1222 First Avenue, MS 501 • San Diego, CA 92101-4155
Tel (619) 444-5440

DSD0001014

Exhibit 72

**SUNROAD CENTRUM RESIDENTIAL/PTS #99397
MEETING AGENDA**

Monday - July 10, 2006
11:00 - 12:30 PM

Development Services Center - Conference Room 5C

Applicant: SUNROAD ENTERPRISES

Project Name: SUNROAD CENTRUM RESIDENTIAL/PTS #99397

Project Location: 8773 Lightwave Avenue

Project Description: Planned Development Permit and Vesting Tentative Map for 2-five story and 2-four story bldgs w/subterranean parking (Lot 1) Bldgs B & C w/375 condominium units, (Lot 2) Bldg A-North w/113 apartment units, (Lot 4) Bldg A-South w/96 apt units and 16 townhomes, each bldg with recreation centers, (Lot 3) a 2-acre park site on a 12.203 acre site at 8773 Lightwave Avenue.

1. **Welcome & Introductions**

■ City of San Diego Staff

- Project Management, John Cruz
- LDR - Landscaping, Craig Hooker
- LDR - Transportation, Farah Mahzari
- LDR - Planning, Darren Genova
- Park & Rec - Jeff Harkness
- Planning - Long Range & Historic, Leslie Henegar

2. **Objectives of Meeting**

- The applicant would like to discuss the suggestion to have 10% retail in the residential buildings, urban design, height limit, ground floor entries, SDGE substation, ADT's and tandem parking and park design.

3. **Project Overview - Applicant/Agent**

4. **Summary of Issues**

— Speak w/JT (and possibly Gary) about how to proceed as it pertains to the relocation of the SDGE substation.

+ Make sure package is distributed (Letter was submitted via FAX 6/20)

★ May need to encroach into 31' setback (South) and 20' total on (North)

→ Adjacent townhomes do not have the same restrictions as the apts across the street. (Ground floor units facing the street)

SUNROAD CENTRUM RESIDENTIAL/PTS #99397
MEETING AGENDA

Monday - July 10, 2006
11:00 - 12:30 PM

Development Services Center - Conference Room 5C

	NAME	REPRESENTING/ DISCIPLINE	ADDRESS/ MAIL STATION	PHONE
1	Jordan Coopersmith	Sunroad Enterprises	4445 Eastgate Mall San Diego, CA 92121	(619) 342-8500 (858) 342-8500
2	KEVIN CARESS	TCA	19782 MACARTHUR BLVD. # 300 IRVINE, CA 92612	(949) 862 0270 EXT. 2009
3	RAND WILLIAMS	TCA	" "	" " EXT. 210
4	CRAIG HOOKER	LDR Landscape		64376
5	DARREN GENDIA	LDR-PLANNING		X65274
6	MARK STEVENS	STEVENS CRESTO ENGINEERING INC.	9665 CRESPIENNE DR STE 320 SAN DIEGO CA. 92123	858-694-5660
7	Tom Story	SUNROAD ENTERPRISES	4445 EASTGATE MALL SAN DIEGO CA 92121	858-342-8500
8	Lesley Hefner	Planning	202 C Street	(619) 235-5208
9	LOPP HAYKIN	Part: Rec	202 C Street	(619) 533-6595
10	John Cruz	Proj Mgmt ^(DSO)	MS 501	(619) 446-5439
11	RUDY JAUREGUI	LDR-Trans. Dev	Dev. Svcs. Bldg	(619) 557-7985
12				
13				
14				
15				

Exhibit 73

John Cruz - Re: FW: Kearny Mesa Planning Group Meeting Wed Aug 16

From: Jim Waring
To: Jeannette Temple; Joe Zulauf; John Cruz
Date: 8/14/2006 2:45 PM
Subject: Re: FW: Kearny Mesa Planning Group Meeting Wed Aug 16
CC: Gary Halbert; Jill Larson; Kelly Broughton; Marie Lewis; Mark S. Chomyn; Tom G. Acuna

Thanks for the message.

This office and DSD has informed Sunroad that no new projects will be approved by the City until the SDG&E substation issue has been resolved. It is my understanding that Sunroad has been working positively with SDG&E on solutions, but as of this time no final resolution has been reached.

Sunroad currently has certain projects for which it has its development rights. (Gary Halbert and Kelly Broughton know better than I do exactly what they are.) The threshold that we've set, therefore, involves projects requiring new discretionary approvals. I do not know where the projects currently working there way to the KMPG fit. Kelly or Gary can provide that information. It is our hope and expectation that Sunroad and SDG&E will work out an appropriate, satisfactory solution.

James T Waring, Deputy Chief
Land Use and Economic Development
City of San Diego
202 C Street, 9th Fl
San Diego, Ca 92101
jwaring@sandiego.gov
(619) 235 5716

>> "Zulauf, Joe" <JZulauf@semprautilities.com> 8/14/2006 10:35 AM >>>
Jeannette:

We received this notice and agenda for Wednesday's KMPG August meeting. According to Buzz Gibbs, the principal topic will be the Sunroad Centrum Residential project. Based on the preliminary information that we've been provided on the project, SDG&E is very concerned about this development and the potential impact it will have on the substation relocation site. It appears that this proposal brings residential development precariously close to the relocation site.

SDG&E will be opposing this development at Wednesday's meeting and asking that the Planning Group not endorse the project. The City has previously informed SDG&E that no new residential development would be allowed into this area until the substation relocation matter is resolved. It would be very helpful for the Planning Group to understand the City's position, and SDG&E would appreciate the CITY's participation in the discussion at Wednesday's meeting. Can you please make sure the City is represented? Thanks

-----Original Message-----

From: Buzz Gibbs [mailto:kearnymesaplanninggroup@yahoo.com]
Sent: Friday, August 11, 2006 1:15 PM
To: kearnymesaplanninggroup@yahoo.com
Subject: Kearny Mesa Planning Group Meeting Wed Aug 16

The regular monthly meeting of the Kearny Mesa Planning Group will be held this Wednesday, August 16, 2006, noon, at National University, 9388 Lightwave Ave. The principle topic will be the review of and the group's recommendation on the Sunroad Centrum Residential project. This is a Substantial Conformance Review for 600 units in the Spectrum project area. More detail is in the attached Agenda for the meeting. I look forward to seeing you at the meeting. Buzz Gibbs

Kearny Mesa Planning Group

Regular Monthly Meeting

Regular meetings of the Kearny Mesa Planning Group are held on the third Wednesday of each month at 12:00 noon in room 125 of the National University's main building, 9388 Lightwave Avenue. This building is the northwest corner of Ruffin Road and Lightwave Avenue in the Spectrum project area. Meetings are open to the general public and last until about 1:30. Occasionally the room is changed and if that occurs there will be a notice posted in the National University lobby.

The Following will be the Agenda for the meeting to be held at noon, August 16, 2006.

- 1) Approval of May and July Meeting Minutes.
- 2) Public Comment on any issue not on the agenda
- 3) Mailbox, Old and New Business
- 4) Arco Murphy Canyon CUP and PDP Amendments to expand canopy and add two additional fuel dispensers at 3770 Murphy Canyon Road. This project has been cancelled by the applicant due to engineering requirements that would make the project unfeasible.
5. Sunroad Centrum Residential ~~SCR~~^{POP} and Vesting Tentative Map for 2 five story and 2 four story building with subterranean parking with 375 Condominiums (Lot 1 Buildings B & C), 113 apartments (Lot 2 Building A), 96 apartment units and 16 townhomes (Lot 4 Building A) and a 2 acre park on 12.203 acre lot at 8773 Lightwave Ave.
- 6) Hickman Field Report
- 7) General Plan Update including Economic Prosperity Element
- 8) Airport Land Use Compatibility Plans Update
- 8) Council Reports
- 9) Adjournment

Effective July 1 the Planning Department will no longer mail notices of meetings. Please send your email address to kearnymesaplanninggroup@yahoo.com if you would like to receive meeting agendas and notices.

Projects for future action:


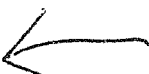
- 
- A) Sunroad B - Wm Lyons Homes - request to amend a PDP and a map waiver to reduce the number of approved units from 168 to 151 and re-orient five buildings to allow an SDG&E substation to remain on site.
 - B) Copley Park Place - a substantial conformance review to build a motor home sales lot and modular office building on a vacant lot at 7620 Copley Park Place.
 - C) Sunroad 14, Substantial Conformance Review for a 14 story office building with underground parking at Sunroad Centrum.
 - D) Kearny Mesa Crossings SCR to deviate from a CSP 92-0143 allowing two pylon and three monument signs.
- 

Exhibit 74

John Cruz - SUNROAD CENTRUM RESIDENTIAL/PTS #99397

From: John Cruz
To: Coopersmith, Jordan; tstory@sunroadenterprises.com
Date: 12/14/2006 6:19 PM
Subject: SUNROAD CENTRUM RESIDENTIAL/PTS #99397
CC: Escobar-Eck, Marcela; Temple, Jeannette

Good evening, gentlemen.

As per the direction of Jim Waring and Marcela Escobar-Eck, this project will not be taken to a hearing until the successful resolution of the SDG&E substation relocation issue.

You may contact me if you have any questions.

Thank you.

John Cruz
Development Project Manager
Development Services Department
City of San Diego
619-446-5439

Exhibit 75

PLANNING COMMISSION MEETING – APRIL 26, 2007

- Chairperson Schultz: Our next item is item 8 which is the Sunroad Centrum Residential Project.
- Andrea Dixon: Chairman Schultz, the City Attorney's Office is asking for a continuance of this matter.
- Schultz: Okay. Well let's get everybody settled in and then we can figure out how we want to proceed.
- Okay. While we're setting up, I'm hearing that the City Attorney wants to request a continuance. Is the applicant aware of that?
- Paul Robinson: Paul Robinson for the applicant. We are not aware of that. What is the ...
- Chairperson Schultz: I was hoping you wouldn't say that.
- Paul Robinson: What is the request based on?
- Schultz: Okay, so that's the question.
- Dixon: It's my understanding that there's some new information that our office wants to review and we just haven't had time to look at it and that's the reason why I'm asking for a continuance. I wouldn't want to speculate on what that is.
- Robinson: Okay, can I bring what's here today before you. This is an entitled project. It's the creature of a development agreement. We're here for the design review only. And you the Planning Commission asked when we entitled this project that you bring the residential developments back to you for design review. The other parts of this project are done through substantial conformance. So the only issue before you today is whether or not we meet the design guidelines and development standards. Why in the world is the City Attorney asking for a continuance on that?
- Dixon: It's my understanding that my office wants to review this project as it's been presented today and I can't really speculate on what that is.
- Robinson: You want to get involved in design?
- Dixon: They've asked me to ask the commissioners for a continuance.
- Robinson: Well we oppose the continuance because we don't think the City Attorney has any position on design and development standards.
- Schultz: Okay, here's what I would suggest that we do. I suggest that we move forward and if maybe you could talk to someone in your office that might be able to come here and ar – I mean it's tough for us as

decision makers to evaluate the request for a continuance without knowing the details of the request and I think that's a fair thing for us to ask. So if while we move forward if you can get someone from your office to articulate that that gives us a chance to know what we're talking about, it gives the applicant a chance to respond, it puts us in a better place to make an intelligent decision.

Dixon: And I can certainly appreciate that and it's not our, you know it's not our intention to – it's my understanding that it has to do with an interpretation of the DDA and you know our position here is to advise you and my understanding is that we are not able to provide you with the advice that might be necessary when you make this decision and so we're asking for more time.

Commissioner: Let me ask you a question. So you did not get this information on a timely basis. You haven't seen this yet? This information that we have in front of us?

Dixon: It's my understanding that there's some new information that I have not yet seen.

Commissioner: Some new information. Other than what we have in front of us. Alright, let me ask the applicant – is there any new information that we have not seen?

Robinson: We are at a loss. Staff has reviewed it. They feel that we meet the design guidelines and development standards. We're at a loss as what new information.

Schultz: Okay, so we're gonna try and get a little bit more detail on that but I would suggest at this point let's proceed.

Dixon: Well could we at least trail this matter then?

Schultz: Well let me see. I guess my issue is this is that if we move forward and hear the item, the issue is whether we act today or not. That's the concern is the City Attorney doesn't want us to act and take a vote on it and what we're asking you to do, which I don't think is unrealistic or unreasonable, is to have someone come up here and articulate the reason for the request.

Dixon: And I think...

Schultz: In sufficient detail so that we can make an intelligent decision and we can allow the applicant a reasonable opportunity to respond. I think that's what we want to do, that's what your office has been pushing for in many ways is that we want to have a hearing process that's fair, that's full disclosure and I think what we're asking for is full disclosure of your reasons for requesting a continuance. And this is the second time your office has come forward to the Planning Commission and simply said we want a continuance because some new information came to our attention

today and I will tell you right now there's no other applicant or any other person that I would grant a continuance on that basis. The bottom line is the material is supposed to be in place at the time we gotta be prepared we ask everybody to be prepared so I want to move forward and I would suggest that you talk to your office and get somebody up here who is prepared to articulate the basis for the continuance and then we can act on it.

Dixon: And I appreciate that. I'm just wondering if this particular matter can be trailed given our time constraints and perhaps move to another matter.

Schultz: If you can guarantee me that you'd have someone from your office prepared, after it's been trailed, to address this issue then maybe, otherwise – I don't know, commissioners it's

Commissioner: I think we should go ahead and hear it.

Schultz: Alright, let's move forward and then hopefully somebody will come up.

Temple: I am ____ Jeannette Temple, Development Project Manager with Development Services Department. And on this project I am sitting in for John Cruz, who was laid off by the City of San Diego through the Reduction in Force. The Project before you is the Sunroad Centrum Residential Project. This site is a 12.49 acre vacant site up in the New Century Centrum Master Plan Area. It requires a vesting tentative map, a planned development permit, and it would be the construction of 379 residential condominium units with related amenities, and a two-acre park site. Thirty-six of the units would be affordable at 65% area median income. You may note that I have attached a memo with revised permit and resolution this morning to you for the reduction of this project to 379 units. It is located in the Kearny Mesa community planning area, the new Century Center Master Plan, and is governed by the CA Zone per the master plan. The Project site, again, is in the heart of Kearny Mesa, and the vesting tentative map would include the entire three hundred, or the entire 12.49 acre site. On the screen behind me is the Master Plan and the uses that are surrounding the site. They include commercial office, residential, industrial to the north, and mixed use commercial and residential to the south. The reduced project site would be a permitted, the plan development permit that you are requested to act on today would encompass the area that is surrounded in red on the screen. It would include the two-acre park site, a pool and recreation facility, and 379 condominium units. Again, the site is vacant and has, was where the former General Dynamics operation was. These are some project elevations of the structure, one of the structures that would be built with this planned development permit. This is a four-story condominium development. One of the amenities of this project and that would be implemented with the vesting tentative map, is the public improvements. And that would, one of them would include a land, the landscaped parkway and a jogging trail that would go around the residential

development and it would continue on to the west, around the commercial development near Kearny Villa Lane. Typical units are anywhere from studios, I believe, to two bedrooms, and is an artist rendition of the recreational leasing center. On August 16th of 2006, the Kearny Mesa Planning Group voted 9 to 0 to recommend approval of this project and they had recommendations that were addressed in my report. Staff recommends that you approve the Planned Development Permit No. 325462 and approve the Vesting Tentative map No.329293. This concludes staffs report and we have staff members and the applicant here for questions.

Male 1: Okay, thank you. Any clarifying questions before we go to public testimony?

Comm.: Yes, Hi. So you are saying that what we are analyzing today in the package are buildings B and C as they have described them, not building A.

Temple: That is correct. Building A north and south, would not be part of this planned development permit that we are acting on today.

Comm.: Okay, thank you.

Schultz: Okay, lets move on to public testimony, beginning with the applicant, Tom Story.

Story: Good morning Chairman Schultz and Planning Commissioners. Tom Story, Sunroad Enterprises located at 4445 Eastgate Mall, San Diego. Eh, we agree with the staff recommendation to limit the scope of today's action to the lots containing the two four story buildings, that would be Buildings B and C, and the two acre park sites. The two acre park site per the development, gave me the condition of the building permits for the Buildings B and C, so that's why we need to have the park site dealt with at this time. We support the staff recommendations regarding the vesting tentative map and PDP and that they are consistent with the New Century Center master plan, the Kearny Mesa Community Plan and the existing development agreements. As our attorney Paul Robinson indicated the scope of the review eh, must be completed within the terms and conditions of the existing development agreement. For example the requirement for the 10% affordable housing on site is a condition of the existing development agreement and we are proposing to be consistent with that. Eh, the parks requirement eh, is also a requirement established with the development agreement. The overall entitlements were established with the development agreement. The review today then is specifically on whether or not the PDP satisfies the design guidelines of the master plan which is one of your attachments. Because the project is operating as apartments, Sunroad prefers that's the condition for ground floor access which in your memo, Condition 41 would be waived for concerns related to liability and concerns for the future residents. But we will accept that condition if in fact that is the decision of the commission. Em.

Comm.: I'm sorry, could you clarify that, I missed that.

Story: Condition 41 of the Memo that was issued, dated today, eh, identifies a requirement of the master plan for ground floor access, to all the, ground floor access for all units. Uh, we plan on operating this project as apartments and prefer to have a single point of control and access for residents of the apartments. Um, we are not sure that in fact the master plan anticipated rental product type. But again, it's not something that we are, if you feel that in fact the guidelines warrant ground floor access then we accept that.

Comm.: Can I interject, I just want to make sure. So, on page 7 of 10, of Attachment 6, under Planning Design Requirements 41, prior to issuance of building permits the project must demonstrate that all ground floor units facing Spectrums Boulevard have individual exterior building entries. All entrances must conform to the setback requirements of the approved Exhibit A, unless a deviation from this requirement is approved, or granted as a condition of approval of this permit.

Story: That is correct.

Comm.: So you are asking us to delete that in its entirety or modify it?

Story: Um, we think if you agree that ground floor access on those units is not necessary that we would delete that requirement.

Comm.: Okay, let me try to understand, cos I know a little bit about managed apartment buildings. Are you going to have a central access point for access control purposes as part of the design element?

Story: Yes.

Comm.: Okay,

Story: And our architect can address more of the details of that.

Comm.: And there are some very positive community benefits, crime and so forth, so is that the reason.

Story: Yes, that's part of our concern. Okay, em so, that's why I'd like to turn over the presentation to our architect Tom Cox and then for a wrap up we will have our attorney Paul Robinson give closing remarks. Thank you.

Cox: Good morning, members of the Commission. My name is Tom Cox with TCA Architects. Eh, it's a pleasure to be here finally. And just for the record I am a proponent of the project, I am in favor of it. Em, one of the things eh that we are here for today is to discuss architecture and planning of the project and what I would like to do is tell you that em, from the very beginning this was a very unique project for us in that it is a completely new and different prototype that is occurring in the Kearny Mesa area. Eh, this is more of a high density urban infill type project,

which I think is very appropriate for this particular site. And from the beginning the architect and the owner both embraced the idea of a high quality project. So, what we are looking for here is differentiation from what I would call standard apartment construction and building typology. This is a subterranean parking garage with four levels of housing on top. Um, I think you have already seen the first few slides, they are a little bit redundant, the buildings are both, there are two buildings in this phase to be considered today as a design review issue. The north building is a C-shaped building; the south building is what I would call an E Shaped building. The buildings are designed as different building types, so that we didn't end up trying to create what I would call a project on the site, but it's more geared towards housing and individuality and some differentiation between the two buildings. The recreation center as you can see is located very central to the project but each of the open courtyard areas, either in the E-shaped wings or the C-shaped building are treated individually as both active and passive opportunities for the residents on the site. Next slide please. Um, architecturally we tried to make sure that we were very thoughtful and sensitive to orientating this project to the park, we think orientation to open space and access for the residents, both to the sidewalks, to the community, to the park, and also visual access is extremely important, so the buildings were designed with that in mind. The individual courtyards do have pedestrian access linking the courtyards down to the sidewalks and eventually then down to the parks. So our way of addressing the issue of resident's access to the parks was to take us to the interior sidewalks and to the park versus the Centrum Road access which I'll discuss in a second.

Architecturally we tried to create a variety of architectural styles with the building and we did that primarily by using materials and building form. Quite often we see architecture for a project of this scale and magnitude be rather all the same style and all the same architecture and our attempt here was to use a variety of architectural elements, in roofing, materials, we used metal siding, along with plaster, but we also introduced store front glass, which is highly unusual and um, cementitious panels which you might find, where we can use varieties of colors and materials and also texture, playing with some light and material differentiation. Next.

These are the elevations eh, of the different buildings, just to show you that, eh, from the renderings to the elevations we are actually retaining some consistency, eh, we were concerned about our adjacency to the properties to the east,. Um, we incorporated a lot of opportunities for color change, building offset, breakup of the building façade, and massing, in order to achieve some variety and some excitement on that side of the building also. We don't think there is a front and a back to our buildings, we like to think of them as 360 degree design. Eh, you saw that that lower slide demonstrates a portion of the building that is facing to the east. Uh, in section, you can see that the part of the building is in fact four stories over two levels of parking. That as I mentioned earlier is a unique product type for the Kearny Mesa area. It provides a higher density of more urban and infill type product and gives us quite a bit of

flexibility then with the open space on top of the building, on the podiums and also for our access to the sidewalks and the park.

The floor plans range from small studios, eh 657 hundred sq. feet up to large two bedroom houses. We consider all of our apartments to be homes and so we try and treat the floors plans all in unique designs. The one thing that we probably did is we went a little overboard on the number of floor plans. I think we have a variety of 20 or 25 different floor plans and for an apartment project that's actually also rather unique instead of using the standard four floor plans repeated ad nauseum we tried to create a lot of variety, we even put that diversity between the two buildings, even from the C Building to the B Building so had a variety even between the buildings.

The landscape architecture we took very seriously. We tried to recreate variety like we did with the floor plans of spaces, shapes, and uses. We put our own recreation center directly across and adjacent to the park and then created walkways and crossways to encourage pedestrian travel people not to use their cars and to use the park and the sidewalks and the jogging trails around the community and then the landscape architect worked very closely with us to create a variety and diversity among all the different courtyards. A little hard to see up here but the sections demonstrate the adjacencies of buildings to landscape and I think your slides or your package in front of you is probably a little easier to see. I can't even see that so good luck. And then finally, the recreation center. The recreation center actually represents another complete departure from what you would typically see in an apartment project. This is an all steel building, all glass. We have created a really wonderful indoor/outdoor relationship in that it's a two story building with an upper terrace. All of the doors and windows open up and create a complete indoor/outdoor relationship the pool deck and the recreation building are oriented to the park and we see them as an extension of that open space and the recreation opportunity that we hope to provide to the entire community and so that's how that building has been designed. I would love to take any questions and answers you may have. I'm sure you have some expiration of architecture and color and all the wonderful things. The last thing I would like to tell you is I am in full compliance with all the conditions of approval and I would like to ask your indulgence on the issue of the stoops facing the central roadside. It is a 379 unit project. As an architect, I am not loathe, I guess that's a little strong, to apply things to buildings that are not necessary and in this particular case, based on the apartment configuration of the building, I think that the attachment of six stoops to six units is a bit of a token gesture and I think it doesn't do anything to enhance the community and it takes away from the security of the building and if it was a single family dwelling or row house, I would fully support it because I think that's the intention. However, I would ask also that that condition be removed and yet if you see so fit to leave it, we accept that condition also.

Comm.:

Do we have a slide of that portion?

Cox: If you go back to the site plan, I think you can probably see the condition at Centrum Road.

Comm.: Could you speak to the security issue associated with that? I am not sure how a change in ownership structure affects the security.

Cox: I think condominiums are ownership. It's my house, my unit, my stair. I think with rental housing, there is a very strong desire to control the comings and goings of people. So when you are out on the street and you are not an owner and you are adjacent to people that are non-owners, then I think that becomes the issue.

Comm.: So you think a renter wants that as opposed to the people managing the project?

Cox: I think the people managing the project are more concerned about the security. And there is, again, it's a double loaded corridor, elevator served, parking's down below the building for both guests and for the residents. The main approach to the building coming and going would be through the garage. The single point of entry, but there are also points of access and egress off the of the individual podium decks. The courtyards to provide all the occupants opportunity to get off the podium, down to the street, to the parks and to the sidewalks through a single controlled entry. So we are not cutting off that ability for pedestrian to enjoy the sidewalks and parks. We're trying to enhance that.
Thank you very much. Any questions, I would be happy to come back up.

Comm.: Okay. Thank you.

Chairperson Schultz: Closing remarks Mr. Robinson?

Mr. Robinson: Yes, thank you Chairman Schultz. Actually, I said everything at the beginning that I was going to say at the end. Just to refresh your recollection, we are here not approved under substantial conforms because this commission and the City Council wanted you to weigh in on the residential design of the spectrum as to plan. Thank you.

Chairperson Schultz: Alright. We will move on to those opposed to the project beginning with Eric Van Wetzel.

VanWetzel: Thank you commissioners. My name is Eric VanWetzel, William Lyon Homes, 15373 Innovation Drive, San Diego. I can assure you we are not in the habit of speaking against new developments. We are a home builder active here in the City of San Diego. We are also currently active in the master plan that is the date of this project set before you. We are very interested in orderly, timely, successful completion of this master plan. We would like the remaining parcels to be developed through the division and the aspirations of the master plan that has been before you several times over the past several years. Currently, our Promonod project directly to the east is a development for sale condominiums. It is

a residential project that is consisting of several attached units. We also constructed the boardwalk condominium project to the southeast as well. Also immediately adjacent to this proposal is the Tribeca project as constructed by KB Homes. When we appeared before you and when these other projects to the east were considered, there was a great deal of discussion and concern related to pedestrian connectivity. There was a lot of discussion related to the park component, the linear park component shuttle service. A lot of real master plan elements that enhanced these neighborhoods, enhanced the retail commercial components, the office buildings. Those people who live and work in this area. It had some grand vision as it was revised to include residential units. We think the master plan is stronger for it. This master plan has been hampered by an ongoing dilemma between ourselves, San Diego Gas & Electric, Sunroad and the City of San Diego due to some unfortunate conditions that were applied or perhaps misapplied. There is an electrical substation still contained within the Promonod project today. We would ask that very serious consideration be given to this situation. This is an element that is significantly hampering and impeding the orderly and timely completion of this project. We understand Mr. Robinson's position related to the relocation or rather the design development of this before you and perhaps in an unrelated aspect to the relocation of the substation. But we do believe it warrants your discussion and consideration today. Thank you very much.

ChairPerson Schultz: Can I ask you a question before you leave? I'm unclear as to what your opposition is about. Could you, in simpler terms maybe, describe why you are opposed to the project?

VanWetzel: We are opposed to the project because currently there is no resolution to the overall overriding master plan relative to the substation, and relative to the SDG&E substation. And more specifically, we feel that the vision of the master plan is not being well served by this applicant.

ChairPerson Schultz: And does the project itself sort of cause that hindrance or continue that? I'm not clear. You're not making any connection for me.

ChairPerson Schultz: Let me ask this. I think what they are proposing today is kind of a reduced project from what was originally proposed. And I am assuming that the reduced project, while it doesn't resolve the SDG&E issue, it doesn't impact it either. Is that a fair statement? Okay, now do you agree with that or no?

VanWetzel: It does not currently impact the potential relocation site that was proposed.

ChairPerson Schultz: Right. So I mean if we were to approve what they bring today, the problems still exist, but we haven't done anything to hamper potential solution.

VanWetzel: Correct. What we are doing is essentially proceeding in a piecemeal fashion which was one of the in 2003 I heard the word "mess" I believe applied to this master plan.

ChairPerson Schultz: It wasn't by me though. I think it was Commissioner Steele. Okay, Mark Cannon?

Schulman: Good morning Mr. Chairman, members of the commission, Mark Schulman, SDG&E, 8315 Sentry Park Court, San Diego. We would ask that the commission consider at this time continuing this item. We understand that the applicant City may have come to a compromise regarding the entitlements for this project, but we're not aware of all the detail, fine details of that compromise and we are certain that the compromise addresses SDG&E's concerns. We believe a continuance is necessary to protect the substation site approved in LDR 41-01-01. We also believe a continuance is necessary to provide additional time to consider any potential alternatives to the substation site approved in LDR 41-01-01. A continuance is necessary to examine ongoing site improvements on the Sunroad property and determine if those improvements have the potential to either reduce in size or eliminate the substation site approved in LDR 41-01-01. It is SDG&E's opinion, and I stress opinion only that development on the master plan site has not occurred in a manner consistent with the entitlements approved by the City. And if such development continues to be approved, it will likely result in a land plan that doesn't conform to approved master plan criteria and it may close out the ability to relocate the substation site. Under this proposed compromise that limits development entitlements to the east side of this development area, we find, SDG&E finds ourselves in a similar position that we have with the Promonod development to the east. That solution was to condition the release the building permits on that project but that condition did not require relocation of the substation. I think we find ourselves here in the same position where we're saying well, we'll go ahead and title half a project and there's still area left to consider this relocation. But I think in essence we are really running out of time and area. We would ask that if the commission would agree to approve this project based on the compromise that's been reached, we suggest and include a condition requiring Sunroad to reach agreement with all affected parties regarding relocation of the substation and that such a condition have a firm date to reach that agreement. Thank you very much. Any questions?

Comm.: Yes. Can I ask you, I think you just said this, but, in your letter you say that the problem is, as you state, because of the developer who owns the land where the relocation site exists refuses to negotiate a transfer of the property to SDG&E. Is that Sunroad?

Schulman: Yes. It has been difficult to reach an agreement to transfer over to the new site. I think there are several parties though that are concerned about this, not just SDG&E and Sunroad, but William Lyon also.

Comm. Schultz: Thank you. Okay. That closes public testimony. We'll move to commissioner comment.

Comm.: Okay, this is a kind of a left curve eh, coming at me here. I don't understand what's going on here regarding this substation. And I'm hoping the applicant can answer the question that was just raised. Can somebody from the applicant come forward and speak to this issue please?

Dixon: Commissioner, if I may just for a moment, this is one of the issues that the City Attorney's Office is concerned with. The design for residential was predicated on moving this substation, so you know our office feels as though if there is no real resolution to this problem, then this project shouldn't go forward, and I'm saying that just with this in front of me, as I said we wanted to look into it further and that was the reason for asking for a continuance.

Comm.: Okay, well, I got to tell you that I'm pretty inclined to agree with that right now.

Temple: Staff can, well I guess I can probably let the applicant speak. The staff does have information if you would like it.

Comm.: Okay. Sure, please. Let's start with yours.

Temple: Um, the New Century Center master plan required that um, that the substation be relocated in connection with the introduction of residential uses within the mixed use commercial residential area, near the existing substation site. I'll pull it up on the screen. The existing substation is where my cursor is at and in the master plan and the environmental document, it was identified that there was a potential relocation envelope over in, more to the west, in the mixed use area, and the intention was that the substation be moved to a non-residential location in the master plan.

Comm.: Can you point out also where the project is here, 'cause this is quite different from

Temple: This is different from, it has changes, its just conceptual. The project is, the old project, the full project would have been located around where my line is here, however, now we are not permitting the building A, nor the building A south, in approximately this location. The park site would be here. The original em, potential relocation envelope, is parcel 6.

Comm.: Okay.

Temple: Approval had been given that have included a fire lane in parcel 6, and so it is up to the em, Sunroad, and SDG&E to come to a decision on where that relocated substation will go. Whether or not it means, em, doing a lot line adjustment to have more room between parcel 6, and

what is now parcel 7, or eh, location across the fire lane, em, that is more west in the commercial area of the site. We do know from SDG&E that so far the alternative potential relocation envelopes that have been proposed are not adequate for them, and part of the master plan says that it has to be suitable to SDG&E.

Schultz: When you started this thing you said part of the condition of the master plan, if you could read it again, said something about not introducing housing to the mixed use area until this was resolved. Did I hear that right?

Temple: Correct, however the planning commission has approved over the objections of SDG&E in the past residential projects near where the substation currently is and sits. Em, Development Services Department has not allowed any residential... building permits for those areas that are em, over the easements that SDG&E has for ingress egress to the substation, and obviously not for any building permits on the substation land.

Comm.: Okay. Could we have the applicant kind of respond please?

Robinson: For your record, Paul Robinson. This is a very complicated issue. We are trying to get to your attention that this residential section, this development before you today has nothing to do with the substation. The substation, you approved development all around it some time ago. The master plan was approved in 2003?

Temple: November of 2002.

Robinson: 2002. Excuse me. Time goes by quickly. With the condition that the substation would be relocated into a commercial site, it doesn't say by who, it doesn't say where. The drawing that you saw up there, clearly indicates that it was for illustration purposes only. That was not the site for the substation to be relocated to, the substation to be relocated. Currently Sunroad is looking at other sites and trying to work with SDG&E but it has nothing to do with this residential development before you today.

Comm.: How do you respond to the comment in the SDG&E letter that says because the developer, meaning your client, who owns land where the relocation site exists, I guess he is referring to that, what you say is the conceptual site, refuses to negotiate a transfer. What is your response to that?

Robinson: That is what I believe is what he is referring to. Again, that was for illustration purposes only. We put that in. It clearly indicates.

Schultz: What would be the harm in resolving this issue right now? What prevents you from solving this issue right now?

Robinson: It's much more complicated than trying to resolve it right now.

Comm.: I don't mean right this very minute, but I mean what's the hold up. I mean, you have got other developers out there, you have got SDG&E up here, speaking against your project, which is pretty unheard of and over this issue. So I'm trying to figure out whether it's something

Robinson: We think there are four parties

Schultz: Sunroad needs to do

Robinson: There are four parties that need to come to the table for this solution. William Lyon is one of them. William Lyon purchased that property from our clients with the full understanding that the substation was there, so the purchase price was reduced according to that substation. They are the ones that have to come to the table too.

Schultz: Okay, but here's my question. Is coming into this hearing today, we were looking at the entire parcel, the entire four buildings, and how were we going forward there if you didn't have an agreement?

Temple: We were notified by SDG&E of concerns in the last week and em at one point we were going to request a continuance on the entire project and em for resolution of this issue. However, Sunroad has agreed to reduce the project so that there would be potentially more land available in that area.

Schultz: Okay, so, but, help me out, why do we want to do that? Why do we want to do this piecemeal development? Why do we want to continue to put off resolving this issue?

Temple: That is a decision for the commission.

Schultz: Well, okay, let me put it this way. Why do you think, why are you suggesting that we do this piecemeal development?

Unknown: I don't know if I would characterize it as piecemeal. This project is consistent with the master plan and the community in terms of land use. Em, this property is not going to directly impact SDG&E's ability to put a substation on this site. However, it is tied in because Sunroad is the owner of this property and the owner of the designated site for SDG&E so there are encroachments happening around it. We originally wanted to continue it, so that we could negotiate this issue, but I think by approving today's project you are approving the two easterly buildings which still provides enough property in between the designated site and this site. So I don't think it's piecemeal, I think we can allow this development to occur and the issue of the SDG&E substation I don't think would be impacted.

Dixon: And if I could just add on to that, though it's still, the question still remains whether or not it's in compliance with the master plan given the condition of moving the substation.

Schultz: Mr. Story.

Story: Thank you.

Schultz: What is the story?

Story: The em,

Schultz: I couldn't help myself.

Story: About a year ago, the City approached Sunroad and SDG&E and asked us to reinitiate a new effort to find a suitable relocation site for the parties involved. Eh, Sunroad at our own expense, even though we do not agree that we are obligated to come up with a relocation site, has in fact hired consultants, we have talked to probably 2-3 dozen property owners within the spectrum area. We have identified two, what we believe are viable sites that meet the criteria that SDG&E has identified. We are in fact in the process of negotiating a lease on one of the properties, simply to secure control of the property immediately while we go through the additional steps to verify the suitability of the site. Em, that process has been going on for nearly a year. Eh, we have been in regular communications with SDG&E as we have made substantial steps forward. We are willing to be a participant in a solution. We do agree that it does require more than just the City, excuse me, between Sunroad and SDG&E. Sunroad at one point in time did own the property that was subsequently approved for residential development around the existing substation. Those properties were sold to, subsequent to builders. It was their applications which the City approved, knowing that the existing substation was not being relocated. The purchase price of that property where the substation exists was discounted because there was no firm commitment to relocate the substation. So, in effect, Sunroad has paid for the substation. It paid because the reduced value of the current site was accounted for in the purchase price. We have a builder now who owns the property, who bought it at a discounted price, who obviously would see enhanced value to the property if in fact it was relocated. Now, we are still at the table, willing to come up with a solution. However, it seemed unreasonable and eh, quite surprising to us, that eh three days ago to be notified in fact that this item was going to be continued because, we had not resolved this issue. That has been the process of ongoing discussions. So, we as an accommodation to the City's request, SDG&E's request, agreed to voluntarily modify what we are seeking approval on today, to reassure all parties that there is more than enough room to accommodate the relocation, if in fact it is ultimately decided that the relocation will occur somewhere within existing Sunroad ownerships. This project today, is almost equal distance between the existing site and the proposed site that was on the industrial site plan. So, it's not like we are exacerbating the situation. We are introducing residential closer to the new site, or to the old site. So we believe that one, it is in effect a very late hit for us, two days before the hearing to be expected to resolve this in twenty four hours when we have been working on this off and on for the last five years. We do not think that

the City's ability to solve this problem, is in any way affected by the decision today and we would ask you to act accordingly. Thank you.

Schultz: Okay. Commissioner Otsuji.

Otsuji: Let me see if I can kind of divide this into two. I, we are looking at the applicants project as one, the way I see it right now. If that was the only thing that we were confronted with in front of us today, it would be pretty clear, I mean, the decision that we made on that. Then, there is the second portion of the substation, that comes into the mix and that was one of the questions I was asking myself in regards to understanding what the effect of the final resolution of where that substation is going to be. Um, understanding where it is today, and where the potential eh, site that they had set aside at this point. But, as always, I think this group always looks at the big picture and I was wondering where the most current eh, site plan of this entire site sits today. Are we privy to that today, or are we restricted to just looking at this one project? We have always been confronted with that and we have always asked the question, because there is always major impacts in regards to what happens around the project that we are looking at and we understand that we were supposed to concentrate on a specific project but we seem to have more and more projects come before us that there are major impacts in regards to what surrounds it and that's the question I would have, is there something that can kind of identify where we are at today in regards to the big picture?

Temple: Well, um on this screen behind me I have the latest aerial photograph that I could find even using today's technology, um that the City has access to on our computers. Um, you may know, as you see there is residential development um, already to the, this is the current substation, and there is some additional residential development by William Lyon Homes that has been permitted, that is not on any of the easements for SDG&E, residential development to the south, and as you can see, most of Spectrum is quickly being, most of New Century Center is being quickly developed. The Master Plan does not state where the subs, relocated substation has to go. It only states that, in fact it says, "this does not, this does not preclude the relocation of the substation to an offsite location, if suitable to SDG&E." And it talks about screening of the substation. And that is in your master plan, volume 3, design manual, page V. Or V5. Roman numeral. Hyphen five. And um, so, technically, as you may know, there is a twelve-story building that is located at the intersection of Kearny Villa Lane and Spectrum Center Blvd. There has not been any permits granted for these other locations that are near Kearny Villa Lane and Lightwave Avenue. Um, so, I guess, staff would say that the approval of the reduced project today would not preclude the relocation of that substation to an area that is not developed with residential locations. However, it would have to be approved by SDG&E. And I think SDG&E Mark Schulman is here. He might even be able to tell you a little bit about what that entails, if you are so inclined.

Schulman: I just wanted to add a few details. In the year 2000, Sunroad came to us with the proposal to move this substation. And we went through the hoops necessary to make that happen. To the point that it was included in the City's mitigated negative declaration, or the zone changes, general plan changes, for Sunroad Spectrum. It was shown on exhibits in a six-tenth to seven-tenth of an acre parcel, and we took that with the knowledge of Sunroad to the Public Utilities Commission. And in the year 2003, with Sunroad's knowledge and their participation, they provided us verbiage, they provided us graphics. We submitted that to the Public Utilities Commission. We have that site permitted. It is a permitted site. It is not a potential site, theoretical site. It is a site. Moving it would require us to get a new permit. To date, we haven't seen any better sites proposed to us. Designing and locating a substation is a little bit different than just placing a building on the ground. We have to respect the electrical system, the grid, and the distribution system. Just to say, here's six-tenths of an acre over here, it's a fine size, but, in fact, let me drop back and say, the six to seven-tenths an acre, we worked out. It's far less than the typical one and half to two acres that we'd need for a 69 to 12kb sub. So in essence, we worked with the applicant and got a site approved, made some compromise in its size, and we were ready to go. And we still are. And we haven't seen to date any more acceptable or better sites than the one we have permitted with the Public Utilities Commission.

Otsuji: Can you point that location out?

Temple: The location is what is called the potential relocation envelope.

Schulman: At the time, the plan we reviewed at the time contained a parking garage. The parking garage had a U-shaped cutout. We anticipated that the substation would fit that cutout and indeed Sunroad carved out a six-tenths to a seven-tenths of an acre parcel, on a map, for that use. I believe that parcel still exists today. Unless there's been a change to the map.

Otsuji: Is that site still there today?

Temple: Today, there is a fire lane that has been approved by the City through what is parcel six, which is the potential relocation envelope as identified in the master plan. However, there is no other, and you can see parking spaces here, parcel 7 is vacant. So technically, if somebody so chose, they could do a lot line adjustment to increase the size so that the substation would, would, could fit on this location.

Schulman: And I think our concern was brought up when we mentioned that there are ongoing site improvements on this property. We noted them. There's a detention basin. A roadway that now precludes us from using that parcel unless, of course, we adjust it, and I'm not sure whether or not that would trigger any need to go back to the Public Utilities Commission for amendment to our prudent permit.

Schultz: Okay lets, we've got have five minutes before we have to adjourn for lunch and I think I'd at least like to see if we can at least deal with the issue of a continuance. And it's I guess it's, my understanding is from the City Attorney's Office the legal issue is whether or not we can approve the project as it was proposed to us without having the relocation of the substation issue resolved. And that's just their legal analysis of whether the agreement, the master plan and all the documents requires that as a condition to us acting on the proposal.

Dixon: And that's correct.

Schultz: Okay. So that's that's where they're coming from. I'm inclined to support a continuance because I think it, number one, the project that came to me that I prepared for, included the resolution of that issue. And that's what I expected to act on today. And now what I'm getting is half of a project. And that doesn't seem right. It doesn't feel right. And it raises a lot of issues that I just think it's unfair to ask us to act on that. But, other commissioners?

Naslund: Well, I agree, and in fact I'm going to move that we continue this item. I feel that this issue is not resolved to my satisfaction to even discuss the remainder of the project. And I would like to see it come back. At the very least with some strategy or path forward to the resolution. Right now, it appears to be completely at a gridlock and with no place forward. And I think at the very least we are owed is the path forward to which this thing will be resolved and how it gets done and when it gets done. So I don't know to what time frame that would be continued to, but.

Schultz: The soonest we could do it is to May 31st. And I guess the question is whether that's sufficient time for you guys to work get out, or get to what commissioner Nasland has referred to as at least a path of solution.

Temple: I would ask the applicant to respond.

Story: We believe we could uh reach a solution by then.

Schultz: Okay. Alright. So does that, is that your motion, commissioner Naslund?

Naslund: Yes. I'd like to continue this item until May 31st.

Schultz: Is there a second?

Naslund: I'll second that uh with some comments. Um, as I was trying to explain, I mean I saw this as two parts and you know, that's the conflict that I had. But, to me, the overall question I have is, you know, why wasn't this resolved initially? That's, I would like an answer for that too. Can we uh, hear it again.

Ontal: Just a comment. Why is it such a basic infrastructure like this in a major development area was not addressed long before?

Temple: It was addressed in the master plan and the um environmental documents that the substation would be relocated with the introduction of residential units. Um, I was not around when this development agreement, nor when the master plan was amended. However, it was intended that at that time, my understanding is that there were some private agreements that would move the substation and those are uh no longer, the parties are no longer agreeing to.

Naslund: I'd like to make one last comment before we vote. At least for me. I think that the project is a very handsome one. It's a very good project. I will absolutely not support removing condition 41. I completely disagree with your analysis. I think that security is enhanced by more normal people coming and going from public rights-of-way, rather than controlling them to single points of entry. And in fact, if you have windows sitting in landscape areas adjacent to rights of way, that's an invitation to break in, undetected. So, in my mind, the master plan is quite clear and I would absolutely not support the removal of commission 41. I think it's very important that we do that. I don't think six units is a token gesture. I think it's important. But otherwise, I love the project.

Schultz: Commissioner Otsuji.

Otsuji: I'd also like to comment on the project itself. I was unfortunate, uh lived in this area for about a year and half due to some unforeseen circumstances. But the area itself, the products, the even Lyons Housing Projects, I think they were great as very eclectic gathering of architectural designs and site layouts. Yes, there are some situations there, that's why I asked the overall question, why wasn't this resolved initially? I think it was at one time, but we don't want to sit here the entire afternoon to discuss that. But, I feel that the architecture, the landscape architecture of this area has is coming together in regards from a design standpoint. The one thing that I would like for you to give us is from a side standpoint, especially a landscape architecture standpoint of how your open space comes together with the rest of the side if you can at that time when you provide us with an update with this resolution for this San Diego Gas & Electric solution.

Schultz: Okay. We've got a motion and a second. Any further comment? Please vote. Call the roll.

Schultz: Alright. We're going to adjourn for lunch and we will return at about 1:15 and we will deal with, starting with item number nine, the 52nd Street Seniors Project.

Exhibit 76



April 26, 2007

Jeanette Temple
Development Project Manager
Development Services department
City of San Diego
1222 First Ave
San Diego, Ca 92101

RE: Spectrum Substation Relocation
Sunroad Centrum Residential – Project No. 99397

Dear Ms. Temple:

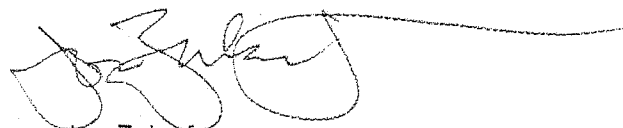
The purpose of this letter is to express SDG&E serious concerns regarding the ongoing and unresolved issue surrounding the relocation of the Spectrum Substation. Recent events, including the continuing development within the New Century Center Master Plan area in disregard to the substation, have increased those concerns. Therefore we believe that it is incumbent upon the City to exercise some control over the development currently taking place, until such time that a resolution to the relocation of the substation is achieved.

Over the past six years SDG&E has pointed to LDR 41-0101/Mitigated Negative Declaration as the central document addressing the relocation of the substation. It is our opinion that all subsequent development within the New Century Center Master Plan, including Project No. 99397, is predicated upon the amendments and actions identified in that document. The relocation of the substation is an action identified in LDR 41-0101 that unfortunately has never been satisfied. This is primarily because the developer who owns the land where the relocation site exists refuses to negotiate a transfer of the property to SDG&E.

Resolving the relocation of the substation is not only important to SDG&E. The Kearny Mesa Planning Group and local business owners in the community have also expressed concerns and frustration over the lack of closure in relocating the substation. Meanwhile the existing substation remains at its old location in close proximity to multi-family residential uses.

SDG&E would encourage the Development Services Department to take whatever action necessary to insure that all conditions of LDR 41-0101 are addressed and the relocation of the substation occurs in a timely manner. Please contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'Joe Zulauf', with a long horizontal line extending to the right.

Joe Zulauf
Project Manager
San Diego Gas & Electric Company
8315 Century Park Court, CP21G
San Diego, CA 92123

cc: Jim Waring, City of San Diego
Marcella Escobar-Eck, City of San Diego
Bob Mannis, City of San Diego
Lisa Gonzalez, City of San Diego
Can Truong, SDG&E
Mark Chomyn, SDG&E
Marie Lewis, SDG&E
Larry Davis, SDG&E
Jill Larson, SDG&E
Jim Seifert, SDG&E
Tom Acuna, SDG&E

Exhibit 77

City of San Diego
Development
Services
Department



Land Development
Review Division
(619) 236-6460

RECEIVED

OCT 10 1997

ENGINEERING SERVICES

Environmental Impact Report

LDR No. 96-0165

SCH No. 96031091

SUBJECT: New Century Center. GENERAL PLAN AMENDMENT (GPA), COMMUNITY PLAN AMENDMENT (CPA), REZONE (RZ), VESTING TENTATIVE MAP (VTM), PLANNED COMMERCIAL DEVELOPMENT (PCD), PLANNED INDUSTRIAL DEVELOPMENT (PID) and RESOURCE PROTECTION ORDINANCE (RPO) PERMIT to amend the existing general plan and Kearny Mesa community plan. The property would be rezoned from M-1A and M-1B to M-1A M-1B, CA and OS-TDR. A VTM, PCD, PID and RPO Permit would allow redevelopment of the General Dynamics Kearny Mesa site with a mixture of retail/entertainment, commercial and industrial uses, an 8.5-acre Missile Park and a 4.3-acre vernal pool conservation bank. The 243.7-acre property is located at 5001 Kearny Villa Road, between Clairemont Mesa Boulevard and Balboa Avenue, in the Kearny Mesa community (Lots 4, 5, 6, 11, 12, 13 and Portion of Lots 20, 21 and 22 of the Highlands, Map No. 284; Portion of Blocks 1, 2, 9 and 10 of Rosedale, Map No. 826). Applicant: General Dynamics.

REVISED UPDATE:

Vesting Tentative Map

Subsequent to public review, the applicant revised the proposed Vesting Tentative Map (VTM) to include grading. Grading on approximately 222 acres of the site would occur. Grading activities would result in approximately 450,000 - 500,000 cubic yards of balanced cut and fill on-site. The Final Program Environmental Impact Report and VTM (Figure 3-4) have been revised accordingly.

CONCLUSIONS:

Under a separate Demolition Program Agreement (Document No. C-06725), the City of San Diego authorized, on November 15, 1995, the phased demolition of 61 existing on-site structures; phased demolition commenced in 1995. Of the 243.7-acre site, the General Dynamics complex comprised 233.7 acres, and the Computer Science Corporation (CSC) facility 10 acres.

4.6 VISUAL/AESTHETICS

EXISTING CONDITIONS

Vicinity Characteristics

The 244-acre project site is generally bounded by Clairemont Mesa Boulevard on the north, Electronics Way on the south, Ruffin Road on the east, and SR-163 and Kearny Villa Road on the west. The visual character of the existing surrounding area relates primarily to the urban setting, existing industrial/business park development, and commercial development along the surrounding streets and in the greater Kearny Mesa Community Plan Area.

As stated in the Kearny Mesa Community Plan, eastern Kearny Mesa's development pattern (which includes the project site) is the result of several events which occurred in the early 1950s. The City of San Diego acquired Gibbs Field (later to become Montgomery Field) and the surrounding lands for a metropolitan airport. When airspace conflicts with the Miramar Naval Air Station preempted the development of the metropolitan airport, Montgomery Field became a general aviation airfield. As a result, the 1,000 acres of surplus airport land were developed into industrial and research parks. In 1955, the Convair Astronautics Division of General Dynamics was the first of numerous aerospace and electronic firms to locate in this industrial park setting.

The visual characteristics of Kearny Mesa's built environment is a product of the past, unrestrictive nature of the regulations contained in the industrial zone districts. The development regulations of these zones did not emphasize design features or provide for design restrictions. For example, prior to the adoption of the citywide landscaping ordinance, the City required only minimal landscaping in industrial zones, usually consisting of a landscape strip adjacent to the street. Additionally, according to the Kearny Mesa Community Plan, the proliferation of commercial signs along Clairemont Mesa Boulevard and Balboa Avenue have created a cluttered and unappealing quality to the visual character of the project vicinity. Segments of Clairemont Mesa Boulevard, Balboa Avenue, and Convoy Street lack the aesthetic quality derived from the provision of such basic amenities. Landscape medians, street trees, aesthetically pleasing signage, pedestrian pathways, and other urban design elements are either completely absent or are provided in a piecemeal manner.

The predominant building type in the surrounding area consists of one- to two-story industrial buildings, such as those that occur to the south of the site, and similar low-profile retail commercial buildings, such as those that occur along Clairemont Mesa Boulevard. More

recently, mid-rise commercial office buildings (between three and six stories) have been constructed, thus deviating from the established one- to two-story pattern. Buildings that are adjacent to the site are typically two stories or less.

Site Characteristics

The 244-acre site is composed primarily of generally flat areas of pavement for surface parking that were constructed as part of the original General Dynamics facility. The original parking lot striping is still visible, but the paving has numerous cracks where weedy vegetation has taken hold, because of its age and disrepair, giving it an abandoned appearance. As described in the Project Description, Section 3.0, the project applicant has received demolition permits that allow for the removal of existing on-site structures. This analysis assumes that all structures have been demolished; the only structure to remain on-site would be the ~~40-acre~~ 11.5-acre, two-story Computer Science Corporation (CSC) facility that exists in the northeastern portion of the site and approximately ~~8.5~~ 7.0 acres of Missile Park uses.

A site photo index is provided as Figure 4.6-1. Site photographs provided in Figures 4.6-2 through 4.6-4 depict on-site features and characteristics from various surrounding vantage points, including Kearny Villa Road, Convair Drive, and Ruffin Road. On-site vegetation and open space features consist of landscaping, a turf-grass area, and native and non-native vegetation. The majority of the site is bordered by landscaping which includes ground cover, shrubbery, and street trees, as shown in the site photos in Figure 4.6-2. The approximately 26-acre Missile Park occurs in the northernmost portion of the site and provides for open space and recreational uses in an open turf-grass area. Additionally, the site contains approximately 14.1 acres of undeveloped land, consisting of native and non-native vegetation, located within two areas on the southern and eastern portions of the site near Ruffin Road. Sensitive natural resources such as vernal pools and several special-status plant and wildlife species have been identified in these areas (refer to Section 4.4, Biological Resources, for additional information about these resources).

Site Visibility

The site is generally visible from various locations surrounding the site, including SR-163 and Kearny Villa Road on the west, Ruffin Road on the east, Clairemont Mesa Boulevard on the north, and portions of Balboa Avenue on the south.

One of the primary public view points of the site is from SR-163, just east of the site. SR-163 is considered one of the entrances to Kearny Mesa, as indicated in the Kearny Mesa Community

Plan. However, none of the main streets/highways, including SR-163, have a visually distinct character which could help to provide a positive impression or function as a gateway into the community.

Long-range views of the site from sensitive viewpoints are generally not available. Sensitive view points typically include public locations where views of an area or region are enjoyed by visitors and local residents. Such viewpoints can include vista points along roadways, viewpoints within public open space or park lands, or views enjoyed along scenic routes.

4.6.1 ISSUE

How would the proposed project affect the visual quality of the area?

IMPACTS

Development that could result from implementation of the proposed project would have an impact on the visual quality of the area if neighborhood character is negatively affected or if development may have a negative aesthetic impact. These potential impact areas are discussed below.

Neighborhood Character/Compatibility

Phased development under the proposed project would result in the redevelopment of the existing 244-acre site. The project would modify the mostly abandoned site by allowing for both industrial/business park and commercial/entertainment development, but would not change the overall character of the surrounding industrial and commercial area. As indicated in the Existing Conditions subsection, the visual character of the surrounding built environment is composed primarily of one- to two-story industrial/business park and commercial/entertainment development. The project area was developed during a time when landscaping, pedestrian facilities, aesthetically pleasing signage, and other urban design elements and visual amenities relatively commonplace today were not emphasized. Surrounding roads have an unappealing visual quality due to the proliferation of commercial signs and the lack of basic amenities such as landscape medians and pedestrian pathways. Although the proposed project would be generally consistent with the scale and pattern of this surrounding development, as described below, it would provide design and visual amenities that are currently lacking in the surrounding area.

Implementation of the project would result in a Planned Industrial Development on the eastern portion of the site, and a Planned Commercial Development area on the western portion of the site. Development within the Planned Industrial Development area would occur in accordance with the development regulations identified in the New Century Center Development Standards and Design Manual. These regulations are designed to provide flexibility to respond to marketplace conditions. A mix of land uses is expected, consisting of business, professional, and educational establishments, as well as a variety of research and development, light industrial, and manufacturing businesses, and community facilities. Building heights within the Planned Industrial Development will comply with the height regulations of the City of San Diego Zoning Ordinance for the M-1A and M-1B zones.

Development within the proposed Planned Commercial Development area would also occur in accordance with the development regulations identified in the New Century Center Development Standards and Design Manual. These regulations are designed to allow for zoning flexibility so that a market-based regional commercial/entertainment destination could be developed on the western portion of the site. This Planned Commercial Development area (Planning Areas 1A, 1B, 2A, and 2B) would integrate a mix of land uses, including retail/entertainment attraction, office, cultural, recreational, hotel, conferencing and restaurant/cafes that would provide an array of business serving amenities to the industrial and business park areas of the site.

The height of structures within the Planned Commercial Development area will comply with the height regulations of the City of San Diego Zoning Ordinance for the CA zone (community and regional shopping centers). The visual character of this area will be different than the existing pattern of "strip commercial" development which occurs along Clairemont Mesa Boulevard. Consistent with the Kearny Mesa Community Plan, the mixed-use project would result in the reuse and rehabilitation of the underutilized site and would provide design features, such as pedestrian pathways, landscape amenities, and gateway entrances that would facilitate the integration of, and connection between, existing strip commercial uses on Clairemont Mesa Boulevard and proposed on-site commercial development. Ultimately, this connection may result in the secondary rehabilitation and revitalization of the commercial development on Clairemont Mesa Boulevard.

While the project site is located in a highly visible area (adjacent to SR-163) and the intent of the project would be to serve as a focal point to the community, the architectural style and building materials of the proposed development are not designed to be uncomplimentary or displeasing with surrounding development with regards to bulk, signage, or architectural projections. Design guidelines require that buildings will be designed to be architecturally pleasing from all sides (especially from SR-163) through architectural detailing, accent colors,

pedestrian circulation. A primary example of such streetscape improvements include those identified in the proposed Market Square (Figure 3-8).

Viewshed Impacts

The proposed project site would be visible from locations along SR-163 (from both northbound and southbound directions) and from several surrounding arterial streets, including Clairemont Mesa Boulevard, Ruffin Road, and portions of Balboa Avenue. The visibility of the site is not considered a negative impact. Conversely, enhancement of the site has the ability to help establish a needed visual gateway into the Kearny Mesa community.

SIGNIFICANCE OF IMPACT

Implementation of the proposed project with the incorporation of the provisions of the New Century Center Design Manual and Development Standards would not result in significant environmental impacts related to the visual quality of the area. The proposed project would not significantly alter the character of the surrounding area, create a negative visual appearance on site, or be inconsistent with the Urban Design Element of the Kearny Mesa Community Plan.

MITIGATION, MONITORING, AND REPORTING

Mitigation is not required.